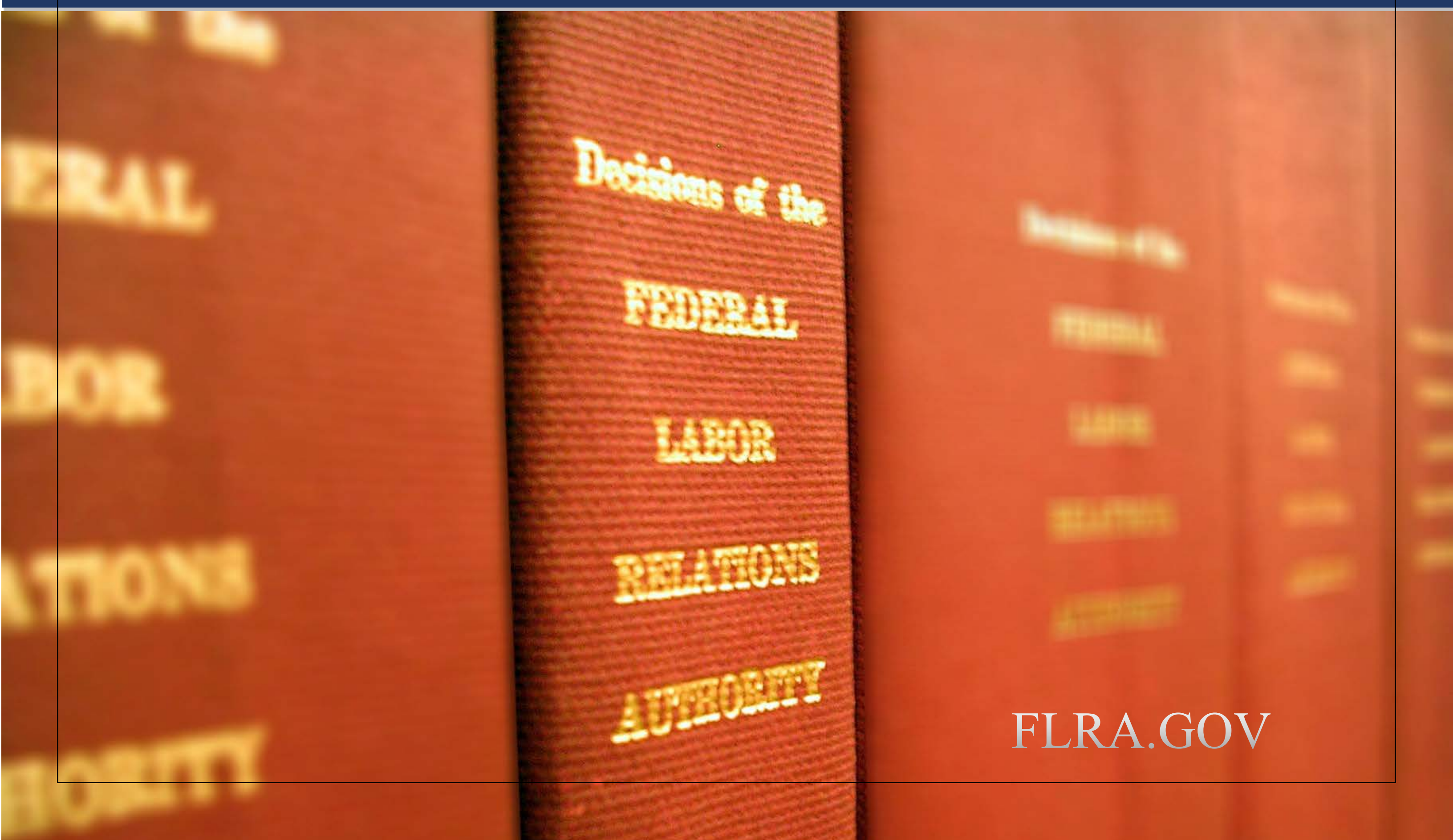
U.S. FEDERAL LABOR RELATIONS AUTHORITY

Promoting and protecting labor-management relations for effective, efficient Government.

PERFORMANCE AND ACCOUNTABILITY REPORT

2022



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UNITED STATES
FEDERAL LABOR RELATIONS AUTHORITY

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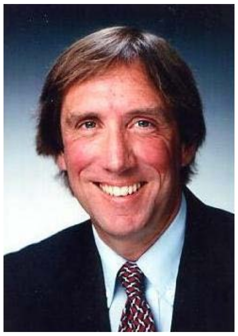
MESSAGE FROM THE CHAIRMAN



I am pleased to submit the Federal Labor Relations Authority (FLRA) 2022 Performance and Accountability Report. FLRA is an independent Federal agency created by Title VII of the Civil Service Reform Act of 1978, also known as the Federal Service Labor-Management Relations Statute (the Statute), 5 U.S.C. §§ 7101-7135. FLRA is a small agency with a large mission: overseeing the labor-management programs of most agencies in the Federal government.

To fully understand FLRA's performance in 2022, it is important to provide some context. In the years leading up to 2021, FLRA experienced many challenges. FLRA budgets were sharply reduced. Over 25 percent of the Regional offices (two out of seven) were closed, and FLRA's highly successful and vitally important Collaboration and Alternative Dispute Resolution Office (CADRO) was eliminated. Nearly 40 percent of the staff, including some of the most experienced and skilled staff, left the Agency, and few of those positions were backfilled. FLRA lacked a General Counsel (GC) for nearly four years, which resulted in an inability to issue unfair labor practice (ULP) complaints. New case filings increased. Together, these factors led to an unprecedented case backlog in the Office of the General Counsel (OGC) and an increasingly overage inventory of cases pending before the Authority. FLRA stopped recognizing its employees' elected, exclusive representative, the Union of Authority Employees (UAE). Employee morale plummeted, with FLRA dropping, over four years, from one of the top three best places to work to one of the bottom two, under the Best Places to Work in the Federal Government® small-agency rankings.

In 2021, FLRA began to make meaningful progress with respect to all of these challenges. In January, President Biden named me Chairman, and I immediately re-recognized the UAE. In March, President Biden appointed an Acting GC, which enabled the issuance of ULP complaints. To hear those complaints, FLRA's Office of Administrative Law Judges (OALJ) began holding virtual trials, a necessity in the COVID-19 era. The Authority significantly reduced its number of pending cases. I restored CADRO and brought a number of seasoned professionals back to the Agency. President Biden appointed ten new Members of the Federal Service Impasses Panel, who were sworn in, and he nominated a GC and two Authority Members, including me. Additionally, I made a priority of employee morale improvement and employee engagement, which was reflected in FLRA's jump in its ranking in the Best Places to Work in the Federal Government rankings: from the bottom two in 2018 and 2019 to the seventh-best small agency to work for in 2021 – making FLRA the second-most-improved small agency in the Federal government.

In 2022, FLRA continued to experience challenges, including increased case filings, particularly in the OGC, and FLRA not receiving its requested budget – which, unfortunately, left staffing at approximately FY21 levels. Despite these substantial challenges, FLRA continued to make progress. The OGC significantly reduced its case backlog. A new Authority Member was confirmed, and the Authority reduced its pending caseload by approximately 50 percent over FY22, ending the year with its lowest pending caseload in many years. All FLRA components met or exceeded most or all of their annual performance goals. FLRA substantially increased its delivery of educational materials through a variety of means, including highly successful animated videos focused on specific topics. Finally, internally, FLRA restored its labor-management forum – another effort to continue employee reengagement and to lead the labor-management community by example.

This continued progress is important, because FLRA's ability to perform its mission well can improve other agencies' abilities to perform their own missions. As both the Statute and President Biden's [Executive Order 14025, Worker Organizing and Empowerment] recognize, "experience in both private and public employment indicates that the statutory protection of the right of employees to organize, bargain collectively, and participate through labor organizations of their own choosing in decisions which affect them . . . safeguards the public interest, . . . contributes to the effective conduct of public business, and . . . facilitates and encourages the amicable settlements of disputes between employees and their employers involving conditions of employment." And, as President Biden's Executive Order 14003, Protecting the Federal Workforce observes, "Career civil servants are the backbone of the Federal workforce, providing the expertise and experience necessary for the critical functioning of the Federal Government."

More than ever, FLRA should lead in making federal labor-management relations work. I am firmly committed to this goal. And I am proud to have the honor to serve as FLRA Chairman and continue to work alongside its incredibly resilient and resourceful employees.

Ernie DuBester

Ernest DuBester
Chairman and Chief Executive Officer
Federal Labor Relations Authority

MANAGEMENT'S DISCUSSION AND ANALYSIS

BACKGROUND AND MISSION

The U.S. Federal Labor Relations Authority (FLRA) is responsible for establishing policies and guidance regarding the labor-management-relations program for 2.1 million non-Postal, Federal employees worldwide, approximately 1.2 million (60 percent) of whom are represented in 2,200 bargaining units. FLRA was created by Title VII of the Civil Service Reform Act of 1978, also known as the Federal Service Labor-Management Relations Statute (the Statute).

The Agency's genesis dates from the issuance of Executive Order 10988 by President Kennedy in 1962, which established the first government-wide, labor-management-relations program within the Federal Government. In 1970, President Nixon established the Federal Labor Relations Council, by Executive Order 11491, to administer the Federal labor-management-relations program and to make final decisions on policy questions and major disputes arising under Executive Order 10988. Executive Order 11491, as amended, was the basis for President Carter's proposal to Congress to create FLRA as an independent agency.

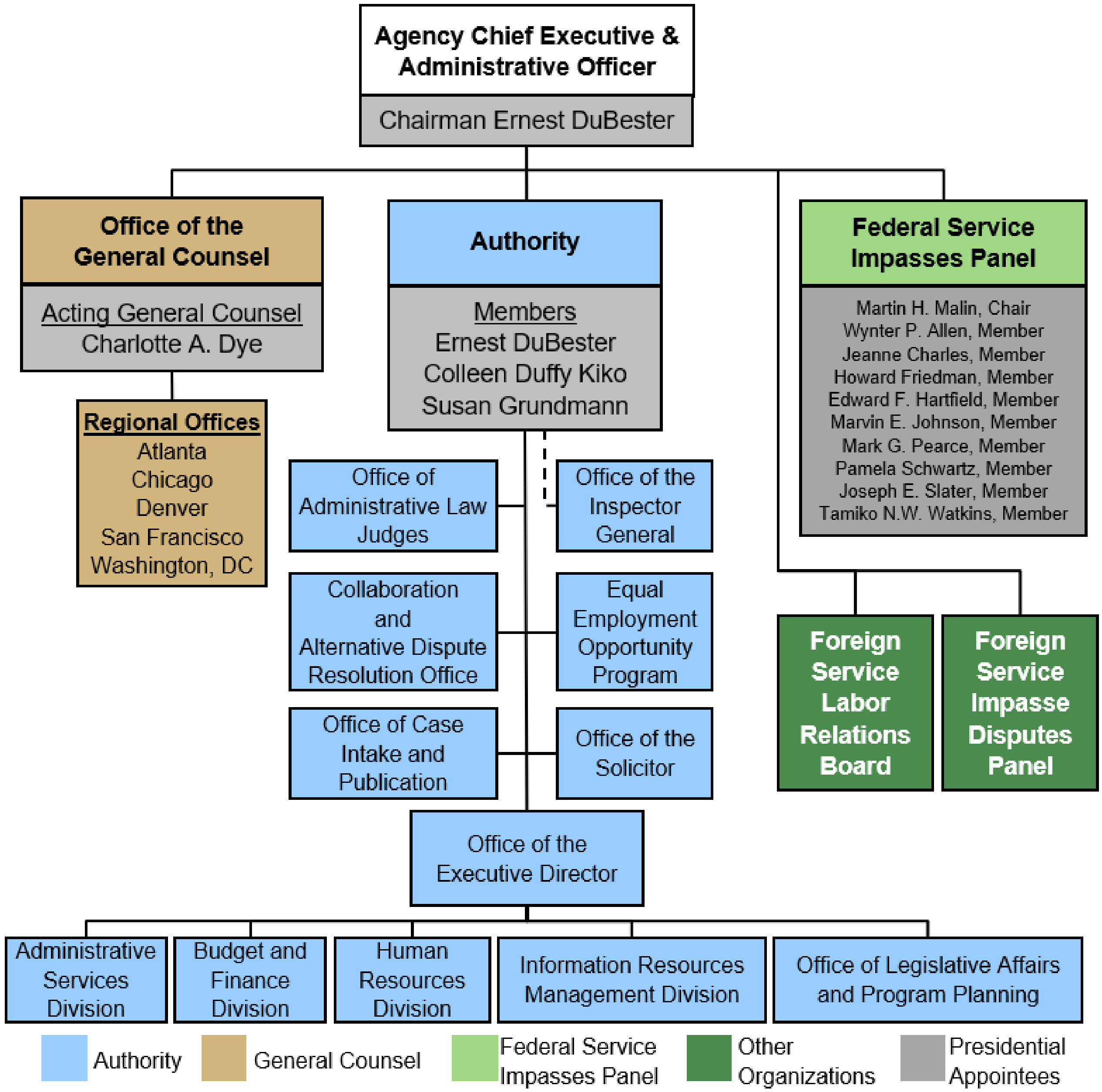
The Statute protects the rights of Federal employees to form, join, or assist a labor organization, or to refrain from such activity, freely and without fear of penalty or reprisal. These rights include acting for a labor organization as a representative and, in that capacity, presenting the views of the organization. Employees also have the right to engage in collective bargaining with respect to conditions of employment through representatives chosen by the employees.

FLRA's mission is to exercise leadership in preventing and resolving labor-management disputes, giving full effect to the collective-bargaining rights of employees, unions, and agencies. Although FLRA is a small agency, accomplishing its mission in an effective and efficient manner is key to enabling the Federal Government, as a whole, to adapt to changing circumstances, as necessary, to continue delivering the highest quality services to the American public, and to deliver a nimbler, more innovative Federal Government. FLRA does not initiate cases; all proceedings before FLRA originate from filings by Federal agencies and employees, or labor organizations which represent federal employees. If a labor-management dispute remains unresolved for too long, then mission accomplishment at the affected agencies likely will suffer. In many ways, FLRA provides the grease for the wheels of government. As such, its influence is important beyond its size.

ORGANIZATIONAL STRUCTURE

FLRA consists of the Authority, the Office of the General Counsel (OGC), and the Federal Service Impasses Panel (FSIP). The Agency also provides full staff support to two other organizations, the Foreign Service Impasse Disputes Panel and the Foreign Service Labor Relations Board.

Federal Labor Relations Authority



The Authority

The Authority, FLRA's bipartisan, adjudicatory body, comprises three full-time Members appointed by the President with the advice and consent of the Senate. The Members are appointed for fixed, five-year, staggered terms, and the President designates one Member to serve as Chairman. The Chairman acts as the Agency's chief executive and administrative officer.

The Authority, first and foremost, is directed to "provide leadership in establishing policies and guidance" related to the purposes of the Statute. The Authority is specifically empowered to resolve disputes over the negotiability of proposals made in collective bargaining; resolve exceptions to grievance-arbitration awards; determine whether conduct alleged in a complaint constitutes an unfair labor practice (ULP); and review decisions of Regional Directors in representation disputes over bargaining unit determinations and elections. The Authority Members appoint Administrative Law Judges (ALJs) to hear and prepare recommended decisions in cases involving ULP complaints. The ALJs' recommended decisions may be appealed to the Authority.

Other offices and programs under the Authority's jurisdiction include the Office of the Executive Director, Office of the Solicitor, Office of Administrative Law Judges (OALJ), Collaboration and Alternative Dispute Resolution Office (CADRO), Office of Case Intake and Publication (CIP), and the Equal Employment Opportunity Program (EEO). The Office of Inspector General (OIG) stands as an independent entity within the Authority.

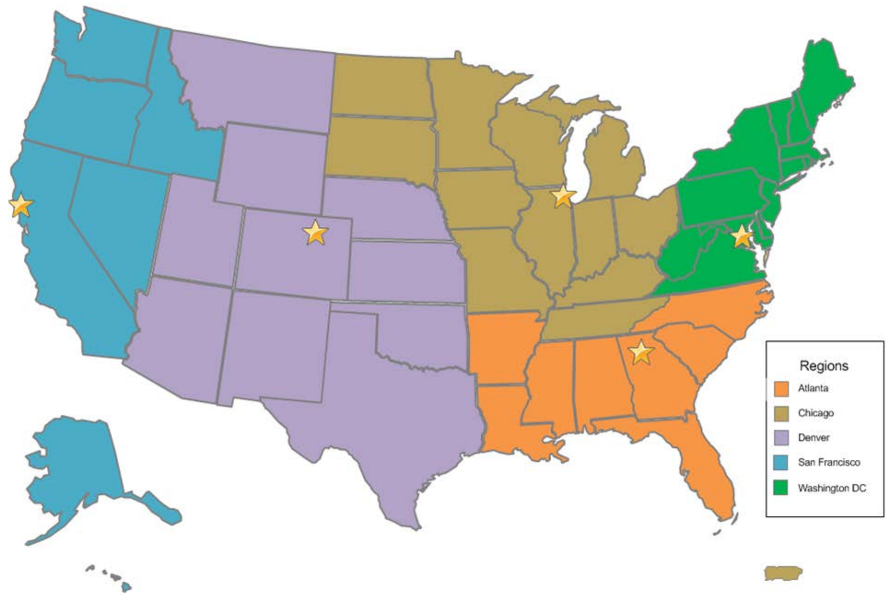
Office of the General Counsel (OGC)

The General Counsel, appointed by the President with the advice and consent of the Senate, has separate and independent responsibilities from the Authority. Under the Statute, the General Counsel has sole responsibility over the investigation and prosecution of ULP charges and complaints. The General Counsel's determinations in these matters are final and unreviewable. The General Counsel has direct authority over, and responsibility for, all employees in the OGC, including those in FLRA's Regional Offices.

The General Counsel has a small staff at FLRA Headquarters, located in Washington, D.C. Headquarters management provides administrative oversight; develops policies, guidance, procedures, and manuals, that provide programmatic direction for the Regional Offices; provides training and education for the parties; and processes appeals from the Regional Offices' dismissals of ULP charges. Each Regional Office is headed by a Regional Director who provides leadership and management expertise for their respective Regions.

The Regional Offices, on behalf of the General Counsel, investigate and resolve alleged ULP charges, file and prosecute ULP complaints, effectuate compliance with settlement agreements and Authority Orders, and provide training and alternative dispute resolution services. In addition, through delegation from the Authority, the Regional Offices investigate and resolve representation petitions (REP) and conduct secret-ballot elections. Currently, 40 percent of FLRA staff are employed in the Regional Offices, where all ULP charges and REP petitions are filed.

There are five Regional Offices located in Atlanta, Georgia; Chicago, Illinois; Denver, Colorado; San Francisco, California; and Washington, D.C.



Federal Service Impasses Panel (FSIP)

The Federal Service Impasses Panel is composed of part-time Presidential appointees who are appointed to fixed, staggered five-year terms. The FSIP assists in resolving negotiation impasses between Federal agencies and labor organizations representing Federal employees that arise from collective-bargaining negotiations under the Statute and the Federal Employees Flexible and Compressed Work Schedules Act.

STRATEGIC AND PERFORMANCE-PLANNING FRAMEWORK

The FLRA has established strategies and goals designed to maximize the delivery of agency services throughout the Federal Government through a comprehensive review – by leadership at all levels throughout the Agency – of its operations, staffing, work processes, resource allocations, and performance. Throughout FY 2022, the FLRA has engaged in a continuous assessment of its performance to ensure it is accomplishing its mission, effectively and efficiently, and that it is promoting innovation.

The FLRA's FY 2022 performance-planning framework is based on the Agency's FY 2022 - 2026 Strategic Plan, and it is supported by the Agency's Annual Performance Plan, which establishes the annual performance goals and measures. The Annual Performance Plan reflects the FLRA's commitment to establishing meaningful metrics that will assist in assessing performance outcomes, aligning resources, and effectively identifying staffing and training needs. The Annual Performance Plan also demonstrates the FLRA's ongoing commitment to organizational excellence.

The FLRA continually and strategically monitors its progress in accomplishing the goals and measures set forth in the Annual Performance Plan. This ongoing review is conducted on a monthly basis with distribution of the Strategic Milestones and Accountability Report (SMART), which contains case and performance data derived from the FLRA's Case Management System (CMS) and agency management. The Agency examines the data in the SMART Report in several forums, and – consistent with FLRA's value of transparency and employee engagement around all agency matters, including process and performance improvements – it shares the Agency's status toward meeting its case-processing performance goals with all employees monthly. At the component and office levels, there are also daily performance assessments using a variety of reports, including: case-filing reports, which track the number and age of cases; case-status reports, which track the status of all assigned pending cases within the Authority, the OGC, and the FSIP; and monthly disposition reports, which track the number, age, and resolution type of every closed case within the Authority and the OGC.

The analysis and assessment of these reports drive, among other things: adjustments in workload through case transfers at the national, Regional, and office levels; decisions to target services (including training, facilitations, and on-site investigations) to certain parties or geographical locations; and reallocation of resources, including use of details and contract support.

FLRA Strategic Goals

Strategic Goal #1	Strategic Goal #2	Strategic Goal #3
We will resolve disputes under the Federal Service Labor-Management Relations Statute in a timely, high-quality, and impartial manner.	We will promote stability in the federal labor-management community by providing leadership and guidance through Alternative Dispute Resolution and education.	We will manage our resources effectively and efficiently in order to achieve organizational excellence.

Strategic Objectives

1.1. Achieve or exceed case-resolution timeliness measures, as established by each component.	2.1. Offer high-quality outreach and prevention services, as well as reference resources, to promote more effective labor-management relations across the federal government.	3.1. Recruit, retain, and develop a highly talented, motivated, and diverse workforce to accomplish the FLRA's mission.
1.2. Set a high standard of quality for the case-resolution process.	2.2. Maximize the use of Alternative Dispute Resolution practices in case resolution.	3.2. Improve usage of existing technology and deploy new IT systems to streamline and enhance organizational operations.
		3.3. Act as an effective steward of agency resources.

The FLRA seeks to achieve its strategic goals primarily through the timely, high-quality, and impartial review and disposition of cases. The Agency supplements these efforts with a focus on reducing litigation and its attendant costs by helping parties to resolve their own disputes through collaboration, ADR, education, and labor-management-cooperation activities. Further supporting these efforts is the FLRA's focus on more effective and efficient use of human capital and internal improvements in information technology (IT).

FY 2022 PERFORMANCE GOALS
Performance Goal 1.1.1: Timely investigate, prosecute, and adjudicate each case type (ULP, REP, ARB, NEG, IMPASSE)
Performance Goal 1.1.2: Resolve overage cases in a timely fashion
Performance Goal 1.2.1: Develop a mechanism for soliciting external feedback on the FLRA case-resolution process
Performance Goal 1.2.2: Score highly on internal quality reviews regarding the case-resolution process
Performance Goal 2.1.1: Provide targeted training, outreach and prevention, and facilitation activities within the labor-management community.
Performance Goal 2.1.2: Provide effective, useful, up-to-date case-processing and case-law resources and trainings for the labor-management community.
Performance Goal 2.2.1: Successful resolution of a significant portion of FLRA cases through ADR.
Performance Goal 2.2.2: Expanded use of ADR in ARB cases.
Performance Goal 2.2.3: Examination of potential expanded use of ADR in REP cases.
Performance Goal 3.1.1: Demonstrate strong recruitment and retention practices.
Performance Goal 3.1.2: Maintain and grow agency expertise through employee development.
Performance Goal 3.1.3: Develop internal tools and benchmarks for skills assessment, training-needs assessment, and effective succession planning.
Performance Goal 3.2.1: Improve eFiling capability and maximize its use in receiving case filings.
Performance Goal 3.2.2: Enhance employee technology usage and skills at every level.
Performance Goal 3.3.1: Achieve high internal customer-service scores on delivery of administrative services.
Performance Goal 3.3.2: Meet or exceed established operational measures.
Performance Goal 3.3.3: Be a leader in the Federal Employee Viewpoint Survey and in the "Best Places to Work in the Federal Government" rankings.

2022-2026 Strategic Plan

In FY 2021, the FLRA reviewed its operations, staffing, work processes, resource allocations, and performance, and established strategies and goals that are designed to maximize the delivery of agency services throughout the federal government. This strategic plan's development revolved around a return to the principles of the 2015-2018

Strategic Plan, for which FLRA leadership undertook a structured process that solicited the perspectives of the Agency's diverse employee, customer, and stakeholder base. That strategic-planning team comprised representatives from each FLRA component and the employees' representative organization, the Union of Authority Employees. At that time, the team internally conducted one-on-one interviews with the FLRA's entire leadership team, held targeted focus-group meetings with managers and employees, and solicited employee feedback through online message boards and e-mails.

For external stakeholders, the FLRA then held a series of focus groups, in which representatives from seven federal-employee unions and twelve federal agencies provided input on FLRA services and performance. In addition to soliciting feedback from agencies that use FLRA resources or who are parties to FLRA cases, the FLRA also sought input from the Office of Management and Budget (OMB) in the early stages of the strategic-planning process. Equipped with these perspectives and guided by the FLRA's core values of transparency, accountability, open dialogue, and pre-decisional involvement, the strategic-planning team held working sessions to develop and memorialize the goals, objectives, and performance measures of this strategic plan.

Timeliness and Quality

Continued improvements in the timeliness of case disposition further the FLRA's critical role in facilitating orderly, effective, and efficient change within the Federal Government. In large part, the FLRA exists to promote effective labor-management relations that, in turn, permit improved employee performance and Government operations. Timely resolution – or avoidance – of FLRA cases is critical to this endeavor. And effective case resolution includes not only timeliness, but also: effective process execution; clear communication with the parties around case processes; and the issuance of well-written and understandable decisions that provide deliberate, impartial, and legally sound analyses and consideration of the issues in dispute.

The Agency facilitates improvements in performance, Government-wide, that have inevitable effects on employee working conditions and that implicate the bargaining rights of the more than 1.2 million employees represented by labor organizations. Unless management and labor can collaboratively resolve their disputes and avoid litigation or – failing that – have their disagreements adjudicated expeditiously by the FLRA, mission performance will suffer. This is particularly relevant now as Federal agencies are making significant adjustments and changes in how they perform their missions in response to the environmental, budgetary, and policy challenges facing them.

Alternative Dispute Resolution and Education

Throughout the years, the Authority, the OGC, and the FSIP have not only recognized the many benefits associated with using ADR to resolve workplace disputes, but they have also integrated ADR techniques into all aspects of case processing. Put simply, offering ADR services in every case results in faster, more effective outcomes for the parties and the FLRA. For this reason, the Agency continues to leverage existing staff and resources to increase its ADR reach. This includes partnering with other agencies and entities – such as the Federal Mediation and Conciliation Service (FMCS), Federal Executive

Boards, and the Office of Personnel Management (OPM) – to train large numbers of practitioners.

In addition, the FLRA's training initiatives are intended to make case processing more effective and efficient, and to better serve the FLRA's customers by providing meaningful and clear guidance on statutory rights and responsibilities. Timely and efficient case processing is furthered by FLRA customers being knowledgeable about their rights and obligations under the Statute, as well as FLRA case law, regulations, and case-processing procedures. The FLRA has substantially increased its delivery of educational materials through a variety of means, such as: live training sessions; comprehensive, web-based training modules; and most recently, highly successful animated videos focused on specific topics. All of these materials have been developed to assist members of the Federal labor-management-relations community with issues and cases arising under the Statute. Using collaboration and ADR techniques – alone or in conjunction with other training, outreach, and facilitation services – to assist parties in minimizing or resolving labor-management disputes significantly reduces the need for litigation and its attendant costs, and it gets the parties back to work accomplishing their missions and delivering effective and efficient Government services.

PERFORMANCE SUMMARY

The FLRA's mission is: "Exercising leadership in preventing and resolving labor-management disputes, giving full effect to the collective-bargaining rights of employees, unions, and agencies." Accomplishing its mission, including timely and quality resolution of labor-management disputes, is essential for program performance government-wide. This performance summary section breaks down, by office and initiative, various highlights and accomplishments of the FLRA's fiscal year performance. It also lists challenges faced throughout the year.

Mission – Case Processing & ADR

With respect to its mission accomplishments, the FLRA as a whole has continued its restoration efforts in providing customers with timely and quality adjudication and dispute-resolution services. However, the FLRA has struggled with significant obstacles in meeting its mission requirements. In addition to increased case filings and backlogs in certain Agency components, the FLRA experienced a wave of key employee retirements and departures, along with funding obstacles preventing the Agency from fully restoring needed staff to complete its mission. Since January 2021, through the prudent management of resources, as well as the incredible, exhaustive efforts of the limited number of Agency employees we currently have, FLRA has been able to meet, in most areas, its minimum level of performance under the Statute.

The Authority

The Authority met or exceeded most (7/13) of its performance goals in FY 2022. Specifically:

- For negotiability cases, the Authority issued 75% of cases (50/67) within 365 days, meeting its 75% target.

- For representation cases, the Authority continued to meet the statutory requirement to determine whether to grant review in 100% (6/6) within 60 days of filing of an application for review from a Regional Director's determination.
- For representation cases in which the Authority granted applications for review, the Authority issued 83% of cases (5/6) within 210 days, exceeding its 75% target.
- For representation cases, the average age of a case closure was 119, significantly beating the Authority's target of 214 days.
- For ULP cases:
    - The Authority issued 100% of cases (11/11) within 300 days, exceeding its 75% target.
    - The Authority issued 100% of cases (11/11) within 365 days, exceeding its 75% target.
    - The average age of a case closure was 111, significantly beating the Authority's target of 526 days.

Further, the Authority came very close to meeting four additional goals:

- For negotiability cases:
    - The Authority issued 73% of cases (49/67) within 300 days, falling slightly short of its 75% target – but only one more timely case closure would have resulted in the Authority meeting this goal.
    - The average age of a case closure was 223 days, falling only 24 days short of the 247-day target.
- For representation cases, the Authority issued 83% of cases (5/6) within 365 days, falling short of its 100% target – but, again, only one more timely case closure would have resulted in the Authority meeting this goal.
- For arbitration cases, the average age of a case closure was 405 days, falling only 30 days short of the 375-day target.

The Authority did not meet or substantially meet its remaining 2 goals. Specifically:

- For arbitration cases:
    - The Authority issued only 25% of cases (35/126) within 210 days, failing to meet its target of 75%.
    - The Authority issued only 56% of cases (70/126) within 365 days, failing to meet its target of 90%.

However, context is important to understanding the Authority's performance on the latter two measures. In FY 2022, the Authority continued to focus on issuing its oldest cases, most of which were arbitration cases. Additionally, as evidenced above, the Authority worked hard to meet its performance goals with regard to the three other case types. As the Authority underwent these efforts, however, newer arbitration cases also went overage, thus making it increasingly more difficult for the Authority to meet these targets.

Nevertheless, the Authority also continued its FY 2021 trend of reducing its pending caseload, ending the year with 100 pending cases – approximately a 50 percent reduction from the end of FY 2021 (153 cases) and more than a 100 percent reduction from the end of FY 2020 (217).

Moreover, in FY 2022, the Authority conducted a data-driven review of its prior challenges in meeting its performance goals to assess whether and how those goals should be changed. The Authority assessed that, in large part, a 2019 change in how case timeliness is measured – beginning from the date of initial filing, rather than from date of assignment to Member offices for processing on the merits – failed to account for numerous variables (party requests for extensions of time, necessary procedural and jurisdictional orders, the need to account for mail delays in final filings before assigning a case, etc.) that can significantly delay assignment of cases to Member offices. Thus, in FY 2023, the Authority will return to measuring timeliness based on the date of assignment to Member offices. (For negotiability cases, which are statutorily required to be processed expeditiously, the Authority will continue measuring timeliness based on date of filing.) At the same time, the Authority also developed new goals to ensure that cases are promptly assigned to Member offices after a final, procedurally sufficient filing is due or received. Further, in order to capture the overall state of pending cases, the Authority also will apply new measures that track the average age of pending cases at the end of FY 2023, relative to the average age of pending cases at the end of FY 2022.

The current state of the Authority's caseload, combined with these new, more data-driven performance goals, should position both the Authority and its parties for success in the future.

The Office of Administrative Law Judges

Upon the appointment of an Acting General Counsel on March 23, 2021, the OGC recommenced complaint processing which led to the OALJ also restarting its ULP work, including adjudicating Complaints and Notices of Hearing (CNOH) filed with the OALJ. The OALJ ended FY 2021 with 130 CNOH filed with the OALJ, issuing decisions in two of those cases and resolving another eighteen cases, without needing to hear the case at trial.

During most of FY 2022, the OALJ had only two Administrative Law Judges (ALJs) to hear cases. These judges conduct hearings and issue recommended decisions on cases involving alleged unfair labor practices (ULPs). Judges' unique skill set entails engaging those cases that fail to settle into adversarial proceedings in order to bring relief to the parties. While judges can conduct legal research and writing tasks, FLRA has prioritized their limited time to conducting trials in order to bring justice to litigants who have been waiting years for their dispute to be heard and resolved.

By the end of FY 2022, 266 complaints were filed with the OALJ and eleven decisions were rendered. The most significant statistic, however, is the number of cases which were settled once filed with the OALJ - 174 cases were resolved without the need to hear the case at trial.

The OALJ – through its Settlement Judge Program administered by the CADRO practitioners –provides alternative dispute-resolution (ADR) services in ULP complaint cases. ADR success rates in resolving cases in prior years averaged more than 82%. This illustrates that the delivery of ADR services in ULP case processing results in more efficient program performance and timely resolution of disputes.

Since an Acting General Counsel was appointed by President Biden, OALJ has been scheduling four to six ULP cases per ALJ for hearing every other week in order to aggressively reduce the backlog. This schedule over FY 2021-2022, as well as settlement efforts by the OGC, resulted in the reduction of the initial 494-complaint backlog to only 54 remaining backlogged cases by the end of FY 2022. Since the FLRA filled an ALJ vacancy in September 2022, the OALJ expects that the remaining 54 cases, along with the pending case load of 276 new complaints, will continue to be resolved quickly – either by settlement or through adjudication by an ALJ.

Collaboration and Alternative Dispute Resolution Office (CADRO)

In the last half of FY 2021, FLRA reinstituted CADRO after a hiatus of several years. FLRA's highly successful and vitally important CADRO has been key to FLRA mission performance for most of the past 25 years. CADRO conflict-management experts serve the dual role of efficiently resolving complex, sensitive cases pending before FLRA and delivering training, facilitation, and other services in support of the President's initiative to restore constructive labor-management relationships between federal agencies and unions. Like ADR generally, CADRO has earned significant bipartisan support.

Since this office was restored in 2021, CADRO played a crucial role in accomplishing FLRA's performance goal to resolve cases and reduce litigation and its attendant costs. CADRO offers FLRA parties voluntary, confidential mediation to achieve timely resolution of negotiability disputes and arbitration exceptions pending before the Authority, as well as settlement conferences in pre-complaint and post-complaint ULP cases. CADRO dispute-resolution services serve the dual purpose of preventing unnecessary and costly litigation before FLRA and making case processing more effective and efficient.

CADRO continues to be essential to prevent and reduce case backlogs for the Authority and OALJ. CADRO staff resolve sensitive arbitration exception (appeal) cases and complex legal issues in negotiability cases, thereby enabling Members and their attorneys to adjudicate other matters on the Authority's docket. The multi-year ULP complaint backlog continues to skew the CADRO caseload heavily in that direction. CADRO staff conduct settlement conferences that result in resolution of most ULP complaints pending before FLRA's ALJs, thereby preventing these cases from becoming hopelessly backed up waiting for trial.

CADRO also is an important vehicle through which FLRA exercises leadership in the manner envisioned by the President in his April 26, 2021 Executive Order on Worker Organizing and Empowerment (14025), and his January 22, 2021 Executive Order Protecting the Federal Workforce (14003). During the last half of 2021, CADRO staff expertly delivered facilitation, training, and fractured-workplace-relationship repair initiatives to more than 500 agency and union representatives. During 2022, CADRO staff delivered similar services to more than 1800 people who were seeking better ways to constructively manage workplace conflict and prevent unavoidable conflict from erupting into destructive disputes. CADRO staff helped workplace representatives learn how to prevent, manage, and resolve difficult, pragmatic issues that give rise to the legal disputes before FLRA. These services not only minimize the need for third-party intervention, they enable agencies and unions to begin fundamentally changing workplace relationships. The result is better mission performance and better quality of work life throughout Government, real evidence that these initiatives work. Consequently, the value of CADRO dispute-prevention and dispute-resolution services goes far beyond the staff hours and the taxpayer dollars that it saves by settling disputes.

CADRO's current caseload of negotiability petitions, arbitration exceptions, and ULP complaints far exceeds any prior period. Since March of 2021, CADRO has received requests to mediate more than 500 disputed language provisions and proposals in negotiability cases. So far, CADRO is exceeding its historical average of more than 90 percent resolution rate.

CADRO practitioners also staff the Settlement Judge Program in the Office of Administrative Law Judges. Since late 2021, they have been actively involved in about 150 ULP complaints. Thus far, CADRO is meeting or exceeding the historical target of an 80 percent settlement rate. CADRO is doing its best to prepare for an equally large ULP caseload for at least the next two fiscal years.

CADRO began 2021 and ended 2022 with only two FTEs and no dedicated administrative support. In its 2022 and 2023 budget requests, FLRA requested funds to restore the third CADRO FTE that was eliminated in 2017. The current and projected caseload is an unsustainable number for two FTEs. They cannot possibly keep pace with projected requests to resolve backlogged ULP complaints pending before FLRA ALJs in addition to arbitration exceptions and complex negotiability cases containing hundreds of legal disputes pending before the Authority Members. Nor can they fully satisfy joint agency and union requests for training, facilitation, and assistance improving essential labor-management relationships, all of which are key to FLRA accomplishing its mission and to support the White House priority to promote stable, constructive labor relations.

The Office of the Solicitor

The Office of the Solicitor represents FLRA in court proceedings before all U.S. courts, including the U.S. Supreme Court, the U.S. Courts of Appeals, and the Federal District Courts. During 2022, the Solicitor's Office litigated numerous cases in the Federal courts, including filing briefs supporting Authority decisions arguing challenges to those decisions in court. After the courts ruled in those cases, the Solicitor's Office provided timely and thoughtful advice to the Authority component of the FLRA concerning the court decisions. The Solicitor's Office managed a significant caseload in 2022, and the volume of that caseload is expected to continue in 2023 as parties seek review of Authority decisions in the courts of appeals under 5 U.S.C. § 7123(a).

The Solicitor also serves as FLRA's in-house counsel, providing legal advice to FLRA components on all facets of Government operations, including ethics, FOIA, privacy, human resources, fiscal law, and the Administrative Procedure Act. It met all reporting and substantive deadlines under those authorities.

The Office of the General Counsel

The OGC had not had a GC or Acting GC since November 17, 2017. On March 23, 2021, President Biden announced the appointment of Charlotte A. Dye as the Acting General

Counsel of the Federal Labor Relations Authority. That appointment allowed appeal and complaint processing to recommence.[1] At that time, there was a backlog of 386 appeals and 494 complaint recommendations.

With only two professionals, the Acting General Counsel and one Assistant General Counsel (AGC), the OGC-HQ has been able to keep its head just above water by neglecting all things but direct mission-related work. In the twenty months since the Acting GC was designated, 230 of the 386 appeals determinations have been completed.

The OGC faced an initial 494-case backlog of complaints when the Acting GC was designated in March 2021. In just nineteen months, complaint issued in 266 cases for litigation before the OALJ. The OGC resolved another 174 of these cases without the need to issue complaint, leaving only 54 of the initial 494 cases remaining. Of course, while OGC staff were working on the initial 494-case backlog, 442 additional complaint recommendations were made on charges filed after March 2021, 166 of which have been resolved/litigated and 276 are pending resolution or issuance of complaint. Each day, more complaint recommendations are made on newly filed charges, so the backlog of complaint cases continues.

The OGC saw a 51% increase in ULP charges filed in FYs 2021 and 2022. Similarly, REP petitions filed have also risen, by 49% just in FY22. The ULP and REP case filings are nearing the numbers filed prior to 2017. In 2018[2], the OGC employed 42 professionals: in 2022, 27.

The OGC conducted approximately 62 training sessions in FY 2022, a 15% increase over FY 2021, and, due to the creation and use of online videos, reached an astounding 18,791 participants. The FLRA's parties are clamoring for additional training, often filling up live online sessions within a day of posting to the FLRA website.

At the same time that federal agencies and employees and the unions which represent them are calling for more training on the Statute, OGC online written resources are languishing. The ULP and REP Case Handling Manuals, REP Hearing Guide, and OGC ULP and REP Case Law Outlines, have not been substantively updated since 2015. These resources were created at a time when the OGC had two AGCs to steer this work – positions which assisted the Deputy General Counsel (DGC) to deal with the operations of the Regional Offices and legal policy for ULP and REP cases. Updates to these crucial outlines, manuals, and guides, have not been made because there is, essentially, no staff in the OGC to complete it.

The OGC plays a vital role in facilitating orderly, efficient, and effective change within the Federal Government. Inadequate staffing interferes with the OGC's ability to promptly investigate and resolve ULP charges and REP petitions. Given the high rate of

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[1] Under the Statute, the OGC may not determine appeals or issue complaints in the absence of a General Counsel or Acting General Counsel.

[2] After March 2018, the number of OGC professional staff dropped as a result of the elimination of two Regional offices, the resignation of staff, and those vacancies being left unfilled.

unionization in the Federal Government, work place change frequently requires collective bargaining or a representation proceeding, or both. Indeed, the vast majority of ULP and REP cases are filed in connection with a management-initiated change in conditions of employment.

The pace at which the OGC resolves these ULP and REP cases directly affects the pace of government change. In this regard, the Statute generally obligates management to maintain the *status quo* during negotiations and during the pendency of a representation proceeding. Moreover, the core purpose of the Statute is to promote collective bargaining as a means of fostering improved employee performance, quality of work life, and government operations. Hence, the quality and timeliness of OGC case dispositions and the extent to which OGC agents are able to take full advantage of dispute resolution opportunities also directly impact the effectiveness and efficiency of government change.

The OGC was severely understaffed in FY 2022, with only 27 agents in the Regional Offices. The FY 2022 performance of OGC staff, given the complaint backlogs and the exponential increase in case filings, is nothing short of miraculous.

The Federal Service Impasses Panel

On February 2, 2021, President Biden called for the resignation of the ten Members of the FSIP. On September 15, 2021, Chairman DuBester swore in ten new Members appointed by President Biden. In the interim, the work of the FSIP was halted. Thus, case-processing statistics are skewed. The FSIP closed 45 cases in 2021. The Biden Administration Panel was onboarded and began engaging federal parties in helping to resolve collective bargaining impasses in October 2021. In FY 22, the Biden Administration Panel successfully resolved the backlog of cases that remained after the termination of the Trump Administration Panel, and met or exceeded all of its timeliness measures for assisting parties in resolving their negotiation impasses.

Mission Accomplishment – Providing Training and Education across the Federal Government

Consistent with its strategic goals, in FY 2022, the FLRA continued to promote stability in the federal labor-management community by providing leadership and guidance through education and reference resources, including web-based and in-person trainings, and substantive guides and manuals.

Education and Training Tools

FLRA provides valuable education and training tools to the Federal labor-management-relations community in all aspects of its case law and processes. Providing meaningful and clear guidance on statutory rights and responsibilities so that its customers are knowledgeable furthers timely and efficient case processing and is an important function of FLRA under the Statute. FLRA delivers its educational materials through a variety of means, primarily through its decisions, but also through in-person training sessions; web-based training modules, and YouTube videos; and case outlines, manuals, and subject-matter guides that are easily accessible on FLRA.gov.

Training

FLRA addressed specific requests of parties for targeted training. Agency components have traditionally provided training on statutory principles governing ULPs, representational issues, negotiability disputes, and arbitration exceptions. Providing such external training to Federal agencies and labor organizations regarding their rights and obligations under the Statute directly promotes FLRA's mission of protecting rights and facilitating stable labor-management relationships while advancing an effective and efficient Government.

These sessions were requested by the organizations based on their perceived needs in the Federal labor- management relations area. FLRA staff tailored each session to meet the individualized needs of the particular group and received consistent positive feedback from the participants. The targeted training sessions focused on a range of issues, including unfair labor practices and representation matters.

The 2022 training landscape remained dramatically affected by the COVID-19 pandemic, particularly the ability to offer in-person training. To surmount this challenge, for 2022, FLRA provided virtual and video training sessions. In total, 18,791 people were trained in 76 statutory training programs with 96 percent of participants rating the statutory training as effective or highly effective. This 96 percent positive feedback far surpassed the FLRA performance goal of 80 percent of participant responses rating the statutory training as effective or highly effective.

YouTube Educational Tool

In 2022, FLRA published four new training videos to FLRA's YouTube channel, which was initially created in 2020. The latest videos include a series on representation elections and a video on Labor-Management Forums. They complement FLRA's existing library which, among other topics, includes videos on the following:

- Unfair Labor Practice Investigations
- Timeliness under Section 7118(a)(4)
- Investigatory Examinations (a seven-lesson course)
- Executive Order 14003 and 7106(b)
- eFiling at the FLRA

The FLRA's video library of instructional training sessions received over 15,000 views in 2022. Total views since the FLRA began publishing videos on YouTube in FY 2020: 25,000+.

These and future videos are intended to educate Federal employees, unions, and managers on how the Statute defines ULPs and how to comply with the Statute's requirement that collective bargaining promotes an efficient and effective Federal service.

Video training is another example of the FLRA's effort to provide the Federal labor-management community with innovative and comprehensive resources and training materials to assist in promoting cooperative labor-management relations that comply with the Statute's mandates.

New educational content is in regular production to address our customers' evolving needs.

eFiling

FLRA's eFiling efforts serve to improve the parties' experience by allowing both filers and the Agency to more efficiently handle filings electronically. The eFiling process is the first step in the Agency's goal of achieving a fully-electronic, end-to-end case file.

A key aspect of FLRA's 2022-2026 Strategic Plan is to continue to increase the rate of eFiling, to support the FLRA's transition to electronic case files. In 2022, the aggregate increase in eFiling for the Authority, the OGC, the FSIP, and the OALJ was almost 8%, up to 75% from 67%. The OGC increased its eFiling rate from 65% to 74% of all cases filed. This represents an almost 9% increase in the eFiling rate for the OGC in a single performance year.

Mission Accomplishment - Manage our resources effectively and efficiently in order to achieve organizational excellence.

Professional Development

FLRA continues to prioritize professional development. Despite budgetary limitations, additional funds were allocated to all employees in all offices in order for each employee to enhance their professional development and review the individual development plans. This led to open discussions with supervisors, managers and staff to determine the best way to enhance the knowledge. Thus, FLRA provides its employees with relevant, mission-related training.

Diversity, Equity, Inclusion, and Accessibility

The Agency and Union of Authority Employees jointly chair FLRA's Diversity, Equity, Inclusion, and Accessibility Committee. The Committee is fully staffed with volunteers and operational with an approved charter. The Committee has the following responsibilities:

- Create opportunities for employees to provide feedback to FLRA leadership about organizational climate and culture (i.e. climate assessments, anonymous satisfaction surveys, focus group sessions, etc.)
- Provide feedback and insight to leadership staff on issues of culture, climate, equity, inclusion, and diversity in the workplace, including recommendations and support regarding short- and long-term strategies to meet the FLRA's current and future workforce.
- Facilitate and/or collaborate with organizational components to sponsor at least four (4) Special Emphasis month programs a year. Special Emphasis programs at the FLRA may include, but are not limited to, observances of Black History Month (February), Women's History Month (March), Asian American and Pacific Islander Heritage Month (May), LGBT Pride Month (June), Hispanic Heritage Month (September 15 - October 15), Disability Employment Awareness Month (October), and American Indian Heritage Month (November):

    - These observances include activities designed to provide cultural awareness, debunk stereotypes and recognize the contributions and achievements of diverse groups represented in our workforce.
    - The primary objectives of an observance are to:
        - Promote diversity awareness and cultural sensitivity;
        - Demonstrate an interest in the history and culture of employees and their contributions to society and at the FLRA;
        - Reflect sensitivity to the growing diversity of the workforce; and
        - Offer opportunities for employees to gain experience in leadership and program planning.
- Promote and provide opportunities for employees to attend Special Emphasis and D&I activities that may be sponsored by local Federal Executive Boards or other federal agencies and organizations.
- Formulate recommendations for the development or modification of policies and practices that negatively impact diversity, inclusivity, accessibility, and equity efforts.

FEVS

The most recent Office of Personnel Management (OPM) Federal Employee Viewpoint Survey (FEVS) provided employees an opportunity to share their opinions about what matters most to them and to influence the organizational culture. Survey results provide insights into where improvements have been made and are needed. FLRA's overall response rate was 55.8%. For 2021, FLRA ranked #7 out of the 29 participating Federal small agencies in the Best Places to Work index.

The Chairman maintains his commitment to leading the development and support of a diverse and competent staff and ensuring an open, friendly and supportive workplace. This also includes placing a strong emphasis on employee engagement at all levels in the Agency.

IT Modernization

In 2022, FLRA continued to work towards its goal of transitioning to 100 percent electronic case files by December 31, 2022. This goal is in support of Presidential Memoranda: M-12-18 and M-19-21. Unfortunately, lack of consistent funding has brought development efforts for the remaining components to a standstill. FLRA and IRMD made substantial progress in the internal planning effort for the OGC Component Case Management System (CMS), but funds were not available to work with developers to put code into the system. Regular and significant funding is an absolute imperative for the successful completion of the CMS effort.

Implementation of fully electronic case files throughout the Agency would enable FLRA to increase its overall efficiency and effectiveness. Successful achievement of this goal will enable implementation of additional external and internal case processing improvements that will further maximize the use of technology and eliminate many of the labor-intensive, manual case processes that are currently in place, including:

- Reducing the time and expense that FLRA staff spends copying, scanning, mailing, and manually entering data;
- Eliminating outdated facsimile service;
- Reducing U.S. Postal Service costs by implementing electronic service of case-related documents by FLRA on the parties;
- Reducing or eliminating delivery service costs for transferring paper case files between FLRA components;
- Implementing a pilot program that would mandate FLRA parties to file all case-related documents electronically; and
- Eventually mandating eFiling for most FLRA case filings.

The greatest benefit will be the ability to redirect staff hours currently used to perform manual administrative tasks to perform other mission-critical functions.

In 2022, Office of the Executive Director (OEXD), Authority, and OGC staff continued planning to review and revise the relevant FLRA regulations in connection with these National Archives and Records Administration-directed efforts. Great strides were made and, beginning in FY23, the OGC has adopted an entirely “electronic” format for the case files for their component. This will eventually streamline the records management process for OGC, when it moves to the live Case Management System (CMS), when funds come available to complete the process.

To ensure reliable and consistent availability of information resources for FLRA employees to accomplish their mission, FLRA must keep in step with our established hardware-refresh policy. Funding was approved in FY22 by OMB, but was cut by Congress from our enacted budget. The bulk of FLRA laptops have reached their prescribed five-year usability, some well past five years, and are rapidly becoming unusable. Through various cost-cutting measures taken by IRMD, FLRA was able to re-allocate enough funds to purchase replacement laptop hardware for all current FLRA staff, which should be available to staff by early 2023.

In 2022, FLRA continued work to ensure a sufficient cybersecurity posture. The President’s Executive Order on Cybersecurity imposed a plethora of new requirements that require persistent expenses for FLRA. The Agency made great strides in FY22, fully implementing both Continuous Monitoring and Diagnostics (CDM) and Endpoint Detection and Response (EDR). An additional FTE (Cybersecurity) had again been approved by OMB, but cuts forced FLRA to delay hiring new staff to operate and maintain these critical tools and applications. Regardless, FLRA’s 2022 Annual FISMA audit resulted in the closure of all existing findings, as well as no new findings – an absolute success.

Finally, in 2021, FLRA Information Management Resources Division planned for a migration of the website – FLRA.gov – from an application server that has reached its end-of-life. Funding was requested and approved by OMB, but Congress cut the item from our FY22 budget. This project has reached a critical state and FLRA must receive sufficient funding to accomplish it.

FY 2022 Performance Outcomes by Measure

The following table summarizes the strategic plan performance outcomes by measure in FY 2022.

Measure	FY 22 Target	FY 22 Actual	Result
Strategic Goal 1: We will resolve disputes under the Federal Service Labor-Management Relations Statute in a timely, high-quality, and impartial manner.			
Strategic Objective 1.1: Achieve or exceed case-resolution timeliness measures, as established by each component.			
Performance Goal 1.1.1: Timely investigate, prosecute, and adjudicate each case type (ULP, REP, ARB, NEG, IMPASSE).			
Performance Goal 1.1.2: Resolve overage cases in a timely fashion			
1.1.1a: The average age of arbitration exceptions decided by the Authority.	375 days	405 days	Not Met
1.1.1b (New): The average age of arbitration cases pending before the Authority.	N/A	N/A	N/A
1.1.1c: The percentage of arbitration cases decided by the Authority within 210 days of the filing of exceptions.	75%	23%	Not Met
1.1.1d (New): The percentage of arbitration cases decided by the Authority within 210 days of assignment to a Member office.	N/A	N/A	N/A
1.1.1e: The average age of negotiability cases decided by the Authority.	223 days	247	Not Met
1.1.1f (New): The average age of negotiability cases pending before the Authority.	N/A	N/A	N/A
1.1.1g: The average age of ULP exceptions decided by the Authority.	526 days	111 days	Met
1.1.1h (New): The average age of ULP cases pending before the Authority.	N/A	N/A	N/A
1.1.1i: The percentage of ULP cases decided by the Authority within 300 days of issuance of an OALJ decision.	75%	100%	Met
1.1.1j (New): The percentage of ULP cases decided by the Authority within 300 days of assignment to a Member office.	N/A	N/A	N/A
1.1.1k: The average age of representation cases decided by the Authority.	214 days	119	Met

1.1.1l (New): The average age of representation cases pending before the Authority.	N/A	N/A	N/A
1.1.1m: The percentage of representation cases in which the Authority issued a decision whether to grant review within 60 days of the filing of an application for review.	100%	100%	Met
1.1.1n: The percentage of representation cases decided by the Authority within 210 days of the filing of an application for review.	75%	83%	Met
1.1.1o (New): The percentage of representation cases decided by the Authority within 210 days of assignment to a Member office.	N/A	N/A	N/A
1.1.1p: The median age of ULP complaints decided by the OALJ.	124 days	71 days	Met
1.1.1q: The percentage of ULP complaints issued by the General Counsel resolved or decided in the OALJ within 180 days of the complaint being issued.	80%	100%	Met
1.1.1r: The percentage of ULP charges resolved by the Office of the General Counsel by complaint, withdrawal, dismissal, or settlement within 120 days of filing of the charge.	70%	85%	Met
1.1.1s: The percentage of decisions on an appeal of a Regional Director's dismissal of a ULP charge issued by the General Counsel within 60 days of the date filed, and in no case more than 120 days.	95%	100%	Met
1.1.1t: The percentage of representation cases resolved by the OGC through withdrawal, election, or issuance of a Decision and Order within 120 days of the filing of a petition.	70%	74%	Met
1.1.1u: The average age of bargaining-impasse cases in which the FSIP declines jurisdiction.	75 days	54 days	Met
1.1.1v: The average age of bargaining-impasse cases that are voluntarily settled.	120 days	84 days	Met

1.1.1w: The average age of bargaining-impasse cases that the FSIP resolves through final action.	150 days	105 days	Met
1.1.1x (New): CIP will assign the case to a Member office within 5 days of the due date for a final filing (regardless of whether such a filing has been received).	N/A	N/A	N/A
1.1.1y (New): CIP will assign the case to a Member office within 21 days of due date of final filing.	N/A	N/A	N/A
1.1.2a: The percentage of arbitration exceptions decided by the Authority within 365 days of the filing of exceptions.	90%	56%	Not Met
1.1.2b (New): The percentage of arbitration exceptions decided by the Authority within 365 days of assignment to a Member office.	N/A	N/A	N/A
1.1.2c: The percentage of negotiability cases decided by the Authority within 365 days of the filing of a petition for review.	75%	75%	Met
1.1.2d: The percentage of ULP cases decided by the Authority within 365 days of issuance of an OALJ decision.	90%	100%	Met
1.1.2e (New): The percentage of ULP cases decided by the Authority within 365 days of assignment to a Member office.	N/A	N/A	N/A
1.1.2f: The percentage of representation cases decided by the Authority within 365 days of the filing of an application for review.	100%	83%	Not Met
1.1.2g (New): The percentage of representation cases decided by the Authority within 365 days of assignment to a Member office.	N/A	N/A	N/A
1.1.2h: The percentage of ULP complaints issued by the General Counsel decided in the OALJ within 365 days of the complaint being issued.	95%	100%	Met
1.1.2i: The percentage of ULP charges resolved by the OGC by complaint, withdrawal, dismissal, or settlement within 240 days of filing of the charge.	95%	99%	Met

1.1.2j: The percentage of representation cases resolved by the OGC through withdrawal, election, or issuance of a Decision and Order within 365 days of the filing of a petition.	95%	97%	Met
1.1.2k: The percentage of bargaining-impasse cases in which the FSIP declines jurisdiction within 140 days of the date filed.	90%	100%	Met
1.1.2l: The percentage of bargaining-impasse cases that are voluntarily settled within 160 days of the date filed.	80%	100%	Met
1.1.2m: The percentage of bargaining-impasse cases that the FSIP resolves through final action that are closed within 200 days of the date filed.	80%	100%	Met
Strategic Goal 2: We will promote stability in the federal labor-management community by providing leadership and guidance through Alternative Dispute Resolution and education.			
Strategic Objective 2.1: Offer high-quality outreach and prevention services, as well as reference resources, to promote more effective labor-management relations across the federal government.			
Performance Goal 2.1.1: Provide targeted training, outreach and prevention, and facilitation activities within the labor-management community. **Performance Goal 2.1.2:** Provide effective, useful, up-to-date case-processing and case-law resources and trainings for the labor-management community.			
Measure	**FY 22 Target**	**FY 22 Actual**	**Result**
2.1.1a: The number of training, labor-management improvement, outreach, and facilitation activities delivered.	40	76	Met
2.1.1b: The number of recipients of training, labor-management improvement, outreach, and facilitation activities.	2,500	18,791	Met
2.1.1c: The percentage of participant responders who highly rate the training that they received.	80%	96%	Met
2.1.1d: The number of times that on-demand online training is used.	1,000	15,000+	Met

Strategic Objective 2.2: Maximize the use of Alternative Dispute Resolution practices in case resolution.			
Performance Goal 2.2.1: Successful resolution of a significant portion of FLRA cases through ADR.			
Performance Goal 2.2.2: Expanded use of ADR in ARB cases.			
Performance Goal 2.2.3: Examination of potential expanded use of ADR in REP cases.			
Measure	**FY 22 Target**	**FY 22 Actual**	**Result**
2.2.1a: Percentage of unfair labor practice cases where OGC offer of ADR is accepted and case is partially or fully resolved.	95%	99%	Met
2.2.1b: Percentage of representation cases where OGC offer of ADR is accepted and case is partially or fully resolved.	95%	99%	Met
2.2.1c: The percentage of appropriate ULP cases in which ADR services are offered to the parties or ordered by the OALJ Chief Judge.	90%	100%	Met
2.2.1d: The percentage of ULP cases that are partially or totally resolved after ADR services are accepted by the parties or ordered by the OALJ Chief Judge.	80%	88%	Met
2.2.2a: The percentage of appropriate arbitration cases pending before the Authority in which ADR services are offered to the parties.	TBD	TBD	TBD
2.2.2b: The percentage of arbitration cases that are partially or totally resolved after the parties accept an offer of ADR services.	TBD	TBD	TBD
2.2.3a: The percentage of appropriate negotiability cases pending before the Authority in which ADR services are offered to the parties.	90%	100%	Met
2.2.3b: The percentage of proposals or provisions in negotiability cases that are partially or totally resolved after the parties accept an offer of ADR services.	90%	100%	Met
2.2.3c: The percentage of negotiability cases that are partially or totally resolved after the parties accept an offer of ADR services.	90%	100%	Met

<table>
<tr><td>2.2.3d: The percentage of cases – other than ULP, arbitration, and negotiability – that are partially or totally resolved after parties accept an offer of ADR services.</td><td>75%</td><td>100%</td><td>Met</td></tr>
<tr><td colspan="4">Strategic Goal 3: We will manage our resources effectively and efficiently in order to achieve organizational excellence.</td></tr>
<tr><td colspan="4">Strategic Objective 3.1: Recruit, retain, and develop a highly talented, motivated, and diverse workforce to accomplish the FLRA’s mission.</td></tr>
<tr><td colspan="4">Performance Goal 3.1.1: Demonstrate strong recruitment and retention practices.</td></tr>
<tr><td colspan="3">Measure</td><td>Result</td></tr>
<tr><td colspan="3">3.1.1a: Demonstrable, strong recruitment and retention practices.</td><td>See P&G Section</td></tr>
<tr><td colspan="4">Performance Goal 3.1.2: Maintain and grow agency expertise through employee development.</td></tr>
<tr><td colspan="3">Measure</td><td>Result</td></tr>
<tr><td colspan="3">3.1.2a: Maintain and grow agency expertise through employee development.</td><td>See P&G Section</td></tr>
<tr><td colspan="4">Strategic Objective 3.2: Improve usage of existing technology and deploy new IT systems to streamline and enhance organizational operations.</td></tr>
<tr><td colspan="4">Performance Goal 3.2.1: Improve eFiling capability and maximize its use in receiving case filings.</td></tr>
<tr><td colspan="3">Measure</td><td>Result</td></tr>
<tr><td colspan="3">3.2.1a: Expand the use of electronic filing for all components.</td><td rowspan="2">See P&G Section</td></tr>
<tr><td colspan="3">3.2.1b: Move FLRA towards 100% electronic case files, electronic permanent records, and electronic case management.</td></tr>
<tr><td colspan="4">Performance Goal 3.2.2: Enhance employee technology usage and skills at every level.</td></tr>
<tr><td colspan="3">Measure</td><td>Result</td></tr>
<tr><td colspan="3">3.2.2a: Achieve an exceptional level of information security by increasing the percentage of systems using a zero-trust model and multifactor authentication and by promptly complying with cybersecurity orders and directives.</td><td rowspan="2">See P&G Section</td></tr>
<tr><td colspan="3">3.2.2b: Assess how internal and external customers perceive the effectiveness of the Agency’s IT modernization efforts.</td></tr>
<tr><td colspan="4">Performance Goal 3.3.1: Achieve high internal customer service scores on delivery of administrative services.</td></tr>
<tr><td colspan="3">Measure</td><td>Result</td></tr>
<tr><td colspan="3">3.3.1a (New): Improvement in overall employee job satisfaction, as demonstrated through the score for question 42 of the Federal Employee Viewpoint Survey (FEVS).</td><td>See P&G Section</td></tr>
</table>

FINANCIAL ANALYSIS

The FLRA's principal financial statements have been prepared to report the financial position and results of operations of the Agency, pursuant to the requirements of 31 U.S.C. § 3515(b). While the statements have been prepared from the books and records of the FLRA in accordance with U.S. Generally Accepted Accounting Principles for Federal entities and the formats prescribed by the OMB, the statements are in addition to the financial reports used to monitor and control budgetary resources, which are prepared from the same books and records. The statements should be read with the realization that they are for a component of the U.S. Government, a sovereign entity.

Balance Sheet

The Balance Sheet presents the FLRA's financial position through the identification of Agency assets, liabilities, and net position. The FLRA's fund balance with the Department of the Treasury (the Treasury) is approximately 95% of the total assets in both FY 2021 and FY 2022. The FLRA does not maintain any cash in commercial bank accounts or foreign currency balances, nor does it have any revolving or trust funds. The Agency's second largest asset is its furniture, equipment, and IT hardware and software, which is recorded at original acquisition cost, and then depreciated using the straight-line method over the estimated useful life of the asset.

Total assets decreased to $5.5 million at the end of FY 2022 from $5.7 million at the end of FY 2021. The Agency did not make any new fixed-asset purchases in FY 2022, while the net book value of property and equipment already owned experienced further depreciation.

Assets as of September 30,	2022	2021
Fund balance with the Treasury	$ 5,264,634	$ 5,317,802
General property and equipment	192,666	281,532
Accounts receivable	50,392	48,662
Prepaid expenses	39,926	39,423
Total	**$5,547,618**	**$5,687,379**

Totals may not add due to rounding.

Funds held with the Treasury are available to pay Agency liabilities, which represent the amount of monies or other resources likely to be paid by the FLRA as a result of transactions or events that have already occurred. Accrued employee leave, payroll, and benefits costs, along with accrued workers' compensation under the Federal Employees Compensation Act (FECA), accounted for nearly 92 percent of total liabilities at the end of FY 2022. The remaining 8 percent reflects the amount owed by the FLRA to vendors and other Federal agencies for purchased goods and services. Agency liabilities totaled $4.8 million in FY 2021 and FY 2022, respectively.

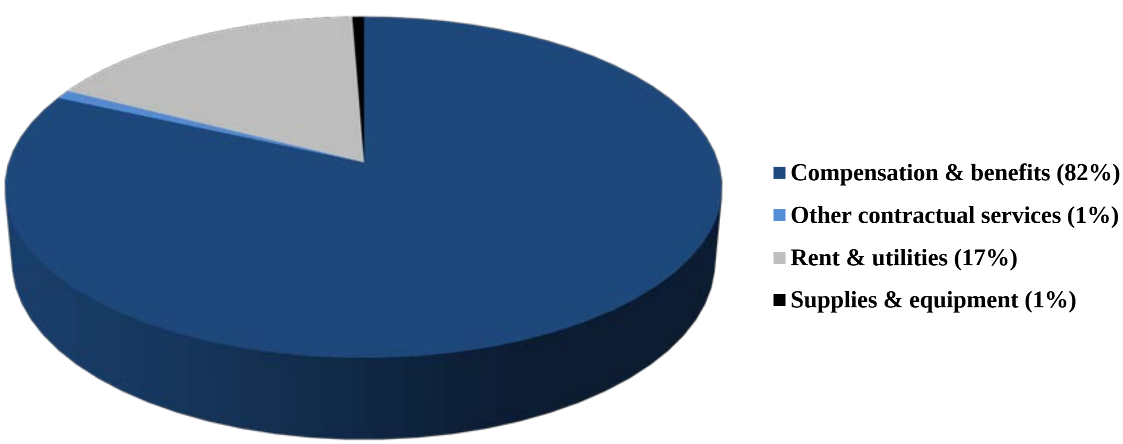
Liabilities as of September 30,	2022	2021
Federal Employee [and Veteran] Benefits Payable	$ 2,965,103	$3,042,839
Accounts payable	389,555	504,665
Other Liabilities	1,477,388	1,296,466
Total	**4,832,046**	**4,843,970**

The FLRA's total net position at the end of FY 2022 was $716 thousand a $128 thousand decrease from the previous year.

Statement of Net Cost

The Statement of Net Cost presents the gross cost of operating the FLRA's three major programs, less any reimbursable revenue earned from those activities. The net cost of operations in FY 2022 was $28.0 million, which is $794 thousand less than FY 2021. In FY 2022, 62 percent of the Agency's direct resources were dedicated to the Authority, which includes central administrative services provided to the entire Agency; 35 percent were dedicated to the OGC; and the remaining 3 percent were devoted to the FSIP.

FY 2022 Financial Obligations by Budget Object Class



Statement of Changes in Net Position

The Statement of Changes in Net Position reflects the changes that occurred within the cumulative results of operations and any unexpended appropriations. The cumulative results of operations represent the net results of operations since inception, the cumulative amount of prior period adjustments, the remaining book value of capitalized assets, and future funding requirements. Cumulative results from FY 2021 to FY 2022 reflect a $15 thousand decrease totaling $2.9 million.

Unexpended appropriations include undelivered orders and unobligated balances. Undelivered orders reflect the amount of goods and services ordered that have yet to be received. Unobligated balances are the amount of appropriations or other authority remaining after deducting the cumulative obligations from the amount available for obligation. The FLRA had a decrease of $0.1 million in total, unexpended Agency appropriations in FY 2022.

Statement on Budgetary Resources

The Statement on Budgetary Resources reports the budgetary resources available to the FLRA during FY 2021 and FY 2022 to carry out the activities of the Agency, as well as the status of those resources at the end of each year. The primary source of FLRA funding is its annual Salaries and Expenses appropriation from the Congress. The Agency also receives reimbursements, pursuant to the Economy Act, for travel expenses associated with training provided by Agency employees on the Statute and FLRA mission.

The FLRA had $28.2 million in total budgetary resources available to it in FY 2022. The Agency incurred obligations of $27.9 million in FY 2022, with recording outlays of $27.1 million. Total budgetary resources increased by $0.23 million in FY 2022, due primarily to increased new obligations.

MANAGEMENT ASSURANCES

Annual FFMIA Statement of Assurance

Pursuant to the Federal Financial Management Improvement Act (FFMIA), FLRA management has assessed that the agency's financial management systems, including both financial and financially related (or mixed) systems, comply substantially with (1) Federal financial management systems requirements, (2) applicable Federal accounting standards promulgated by FASAB, and (3) the U.S. Standard General Ledger (USSGL) at the transaction level.

Annual FMFIA Statement of Assurance

Pursuant to the Federal Managers' Financial Integrity Act (FMFIA), FLRA management is responsible for managing risks and maintaining effective internal control to meet the objectives of Sections 2 and 4 of the Federal Managers' Financial Integrity Act. The FLRA conducted its assessment of risk and internal control in accordance with OMB Circular No. A-123, Management's Responsibility for Enterprise Risk Management and Internal Control.

Based on the results of this assessment, the FLRA can provide reasonable assurance that its internal controls over the effectiveness and efficiency of operations, reporting, and compliance were operating effectively as of September 30, 2022.

Further, based on our assessment, we determined that the FLRA financial-management system conforms to applicable financial-systems requirements.

Ernie DuBester

Ernest DuBester
Chairman and Chief Executive Officer
Federal Labor Relations Authority

FY 2022 PERFORMANCE GOALS AND RESULTS

The FLRA organizes its Strategic Plan by three Strategic Goals which are detailed above in the Strategic and Performance-Planning Framework section. Each Strategic Goal has a number of Strategic Objectives. Each Strategic Objective has a number of Performance Goals with unique and trackable measures, which are used to determine the Agency's progress. This section outlines the Agency's performance goals and results across a 5-year period.

Strategic goal #1: We will resolve disputes under the Federal Service Labor-Management Relations Statute in a timely, high-quality, and impartial manner

PERFORMANCE GOAL 1.1.1: TIMELY INVESTIGATE, PROSECUTE, AND ADJUDICATE EACH CASE TYPE (ULP, REP, ARB, NEG, IMPASSE).

PERFORMANCE GOAL 1.1.2: RESOLVE OVERAGE CASES IN A TIMELY FASHION

Representation cases

The Statute sets out a specific procedure for employees to petition to be represented by a labor union and to determine which employees will be included in a "bargaining unit" that a union represents. Implementing this procedure, the FLRA conducts secret-ballot elections for union representation and resolves a variety of issues related to questions of union representation of employees. These issues include, for example, whether particular employees are managers or "confidential" employees excluded from union representation, whether there has been election misconduct on the part of agencies or unions, and whether changes in union and agency organizations affect existing bargaining units. Representation cases are initiated when an individual, a labor organization, or an agency files a petition with a Regional Office. After a petition is filed, the Regional Director conducts an investigation, which may include holding a hearing, to determine the appropriateness of a unit or other matter related to the petition. After concluding such investigation, the Regional Director may conduct a secret-ballot election or issue a Decision and Order, which is final unless an application for review (appeal) is filed with the Authority.

Unfair Labor Practice cases

The General Counsel has independent responsibility for the investigation, settlement, and prosecution, of ULP charges. ULP cases originate with the filing of an unfair labor practice charge in a Regional Office by an employee, a labor organization, or an agency. Once a charge has been filed, the Regional Office will investigate the charge to determine whether it has merit. If the Regional Director determines that the charge has merit, then the Regional Director will, absent settlement, issue and prosecute a complaint before an ALJ. If the Regional Director determines that the charge lacks merit, then the charging party is entitled to a written explanation, and, if not satisfied, may appeal that decision to the General Counsel in Washington, D.C. If the General Counsel upholds the dismissal, then the case is closed. The Authority has appointed ALJs to hear ULP cases prosecuted by the General Counsel. The OALJ transmits recommended decisions of the ALJs to the Authority, which may affirm, modify, or reverse the ALJs in whole or in part on exceptions (appeal). Authority decisions set legal precedent on the meaning, operation, and enforcement of the Statute. If no exceptions are filed to an ALJ's decision, then the Authority adopts the decision without precedential significance.

Arbitration cases

Either party to grievance arbitration may file with the Authority an exception to (or an appeal of) an arbitrator's award. The Authority will review an arbitrator's award to which an exception has been filed to determine whether the award is deficient because it is contrary to any law, rule, or regulation, or on grounds similar to those applied by federal courts in private-sector, labor management relations.

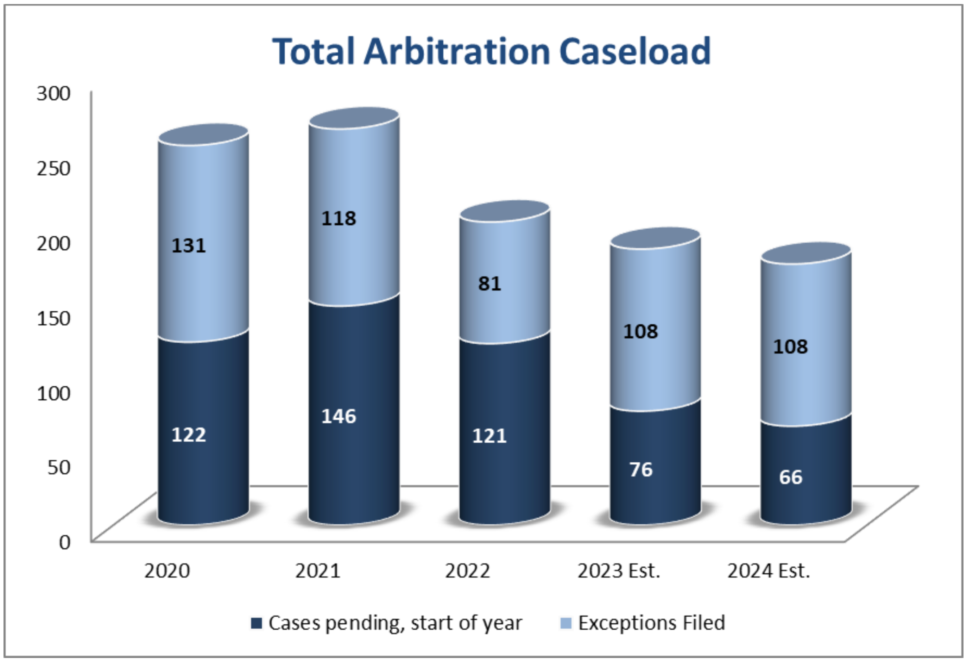
Negotiability cases

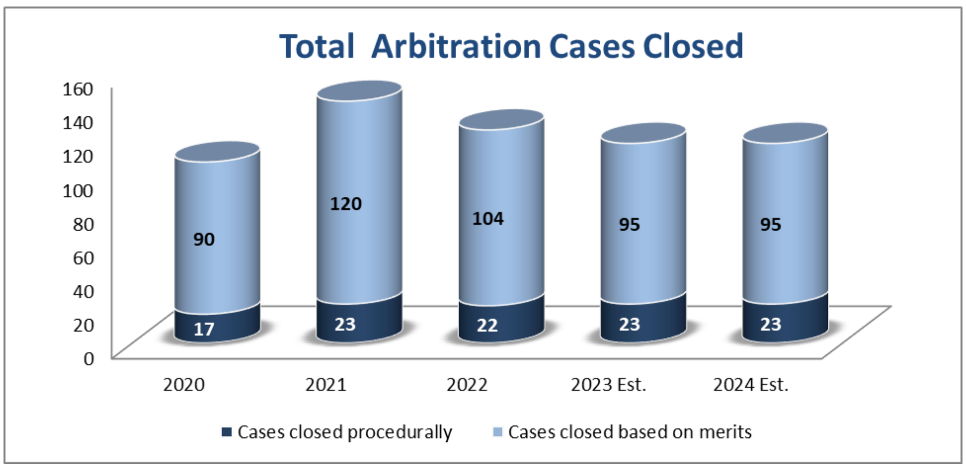
A federal agency bargaining with a union may claim that a particular union proposal cannot be bargained because it conflicts with federal law, a government-wide rule or regulation, or an agency regulation for which there is a compelling need. In addition, agency heads may disapprove collective-bargaining agreements if those agreements are contrary to law. In both of these situations, a union may petition the Authority to resolve the negotiability dispute.

Bargaining-Impasse cases

In carrying out the right to bargain collectively, on occasion union representatives and federal agencies fail to reach agreement on issues; the bargaining reaches an impasse. Several options are available by which the parties may attempt to resolve the impasse. The parties may: decide, on their own, to use certain techniques to resolve the impasse, but may proceed to private, binding arbitration only after the FSIP approves the procedure; seek the services and assistance of third-party mediation such as the FMCS; or seek the assistance of the FSIP in resolving the negotiation impasse, but only after the assistance of third-party mediation has failed.

Authority **Arbitration Cases**	**2020**	**2021**	**2022**	**2023 Est.**	**2024 Est.**
Cases pending, start of year	122	146	121	76	66
Exceptions filed (Intake)	**131**	**118**	**81**	**108**	**108**
Total caseload	253	264	202	184	174
Cases closed procedurally	17	23	22	23	23
Cases closed based on merits	90	120	104	95	95
Total cases closed (Output)	**107**	**143**	**126**	**118**	**118**
Cases pending, end of year	146	121	76	66	56





Measure 1.1.1a (Previously 1.1.1): The average age of arbitration exceptions decided by the Authority.

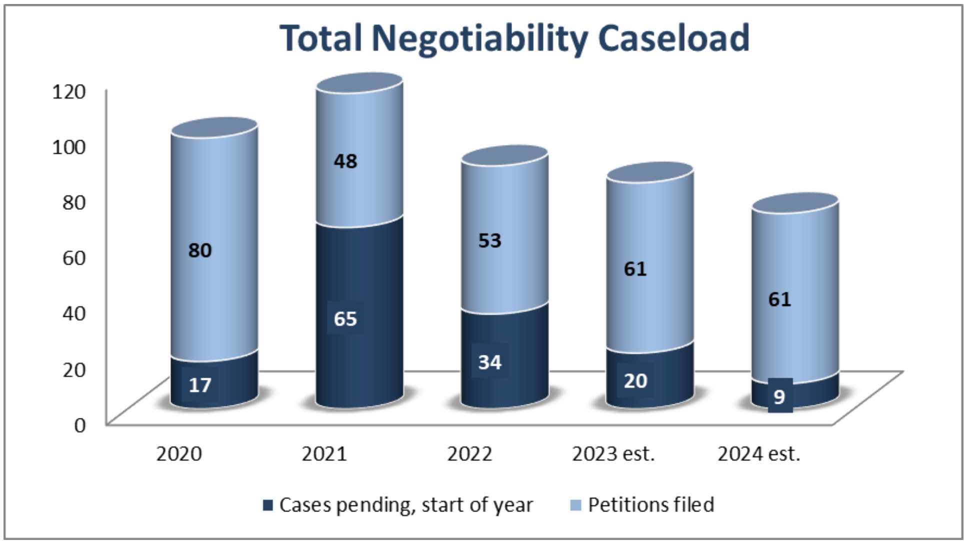
Results		Targets	
2020	317 days *Not Met*	**2020**	248 days
2021	395 days *Not Met*	**2021**	248 days
2022	405 days *Not Met*	**2022**	375 days
		2023	385 days
		2024	366 days

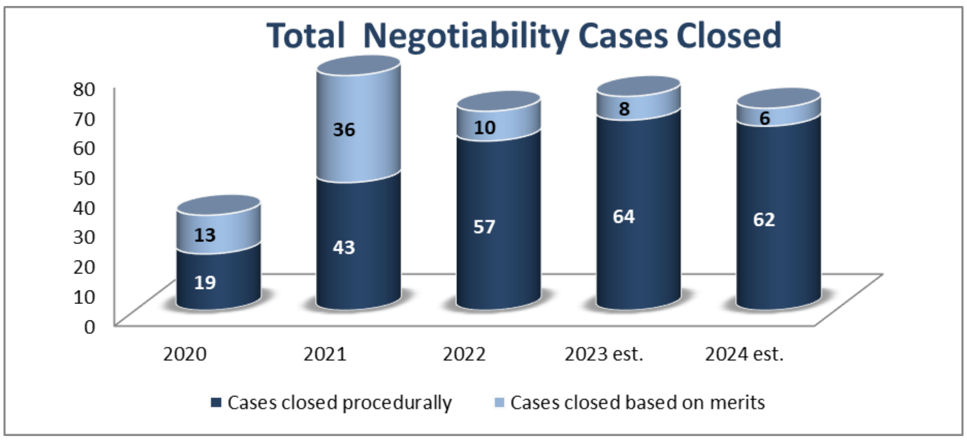
Measure 1.1.1b (New): The average age of arbitration cases pending before the Authority.			
Results		**Targets**	
2022	N/A	**2022**	N/A
		2023	267 days
		2024	253 days

Measure 1.1.1c (Previously 1.1.2): The percentage of arbitration cases decided by the Authority within 210 days of the filing of exceptions.			
Results		**Targets**	
2020	32% – (34/107 cases) *Not Met*	**2020**	75%
2021	29% - (42/143 cases) *Not Met*	**2021**	75%
2022	23% - (32/126 cases) *Not Met*	**2022**	75%
		2023	N/A
		2024	N/A

Measure 1.1.1d (New): The percentage of arbitration cases decided by the Authority within 210 days of assignment to a Member office.			
Results		**Targets**	
2022	N/A	**2022**	N/A
		2023	50%
		2024	50%

Authority **Negotiability Cases**	**2020**	**2021**	**2022**	**2023 Est.**	**2024 Est.**
Cases pending, start of year	17	65	34	20	9
Petitions filed (Intake)	**80**	**48**	**53**	**61**	**61**
Total caseload	97	113	87	81	70
Cases closed procedurally	19	43	57	64	62
Cases closed based on merits	13	36	10	8	6
Total cases closed (Output)	**32**	**79**	**67**	**72**	**68**
Cases pending, end of year	65	34	20	9	2

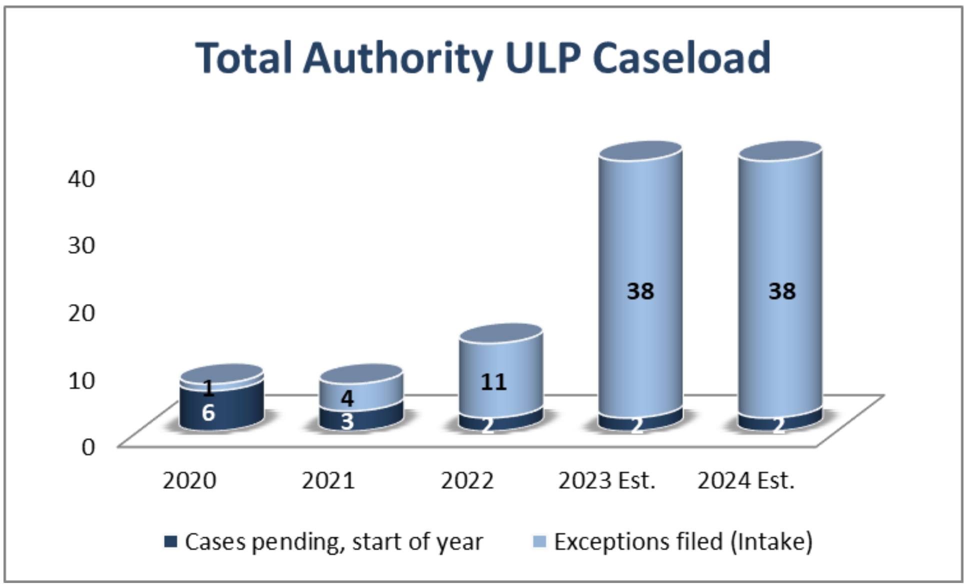


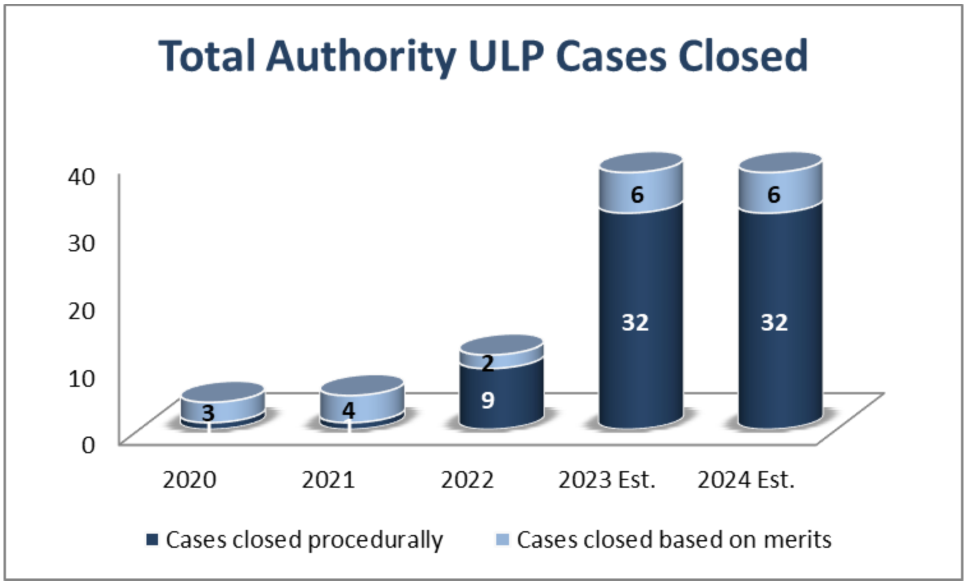


Measure 1.1.1e (Previously 1.1.3): The average age of negotiability cases decided by the Authority.			
Results		**Targets**	
2020	176 days *Not Met*	**2020**	161 days
2021	235 days *Not Met*	**2021**	161 days
2022	247 days *Not Met*	**2022**	223 days
		2023	235 days
		2024	223 days

Measure 1.1.1f (New): The average age of negotiability cases pending before the Authority.			
Results		**Targets**	
2022	N/A	**2022**	N/A
		2023	249 days
		2024	236 days

Authority **ULP Cases**	**2020**	**2021**	**2022**	**2023 Est.**	**2024 Est.**
Cases pending, start of year	6	3	2	2	2
Cases filed (Intake)	**1**	**4**	**11**	**38**	**38**
Total caseload	7	7	13	40	40
Cases closed procedurally	1	1	9	32	32
Cases closed based on merits	3	4	2	6	6
Total cases closed (Output)	**4**	**5**	**11**	**38**	**38**
Cases pending, end of year	3	2	2	2	2





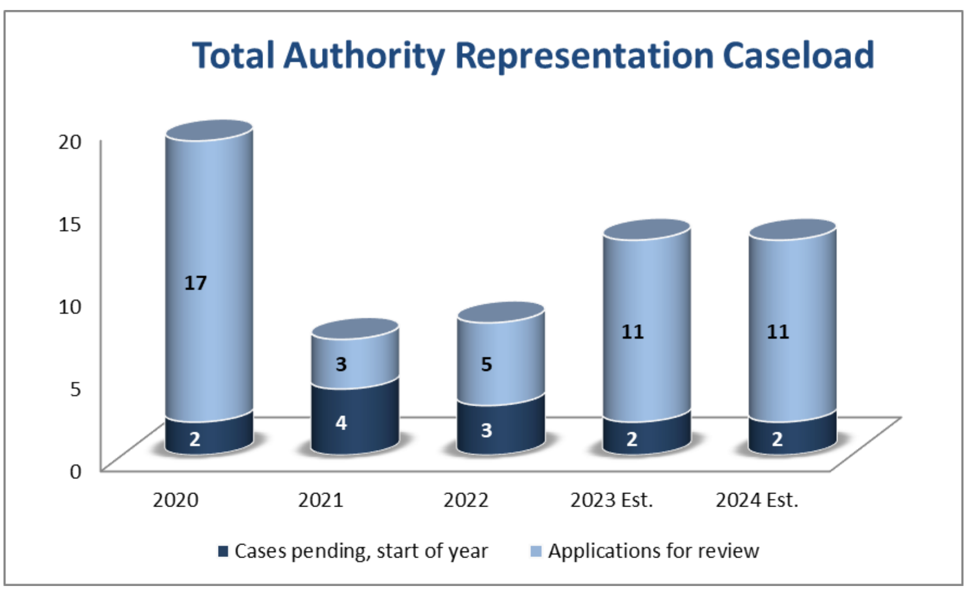
Measure 1.1.1g (Previously 1.1.5): The average age of ULP exceptions decided by the Authority.			
Results		**Targets**	
2020	422 days *Not Met*	**2020**	226 days
2021	554 days *Not Met*	**2021**	226 days
2022	111 days *Met*	**2022**	526 days
		2023	105 days
		2024	99 days

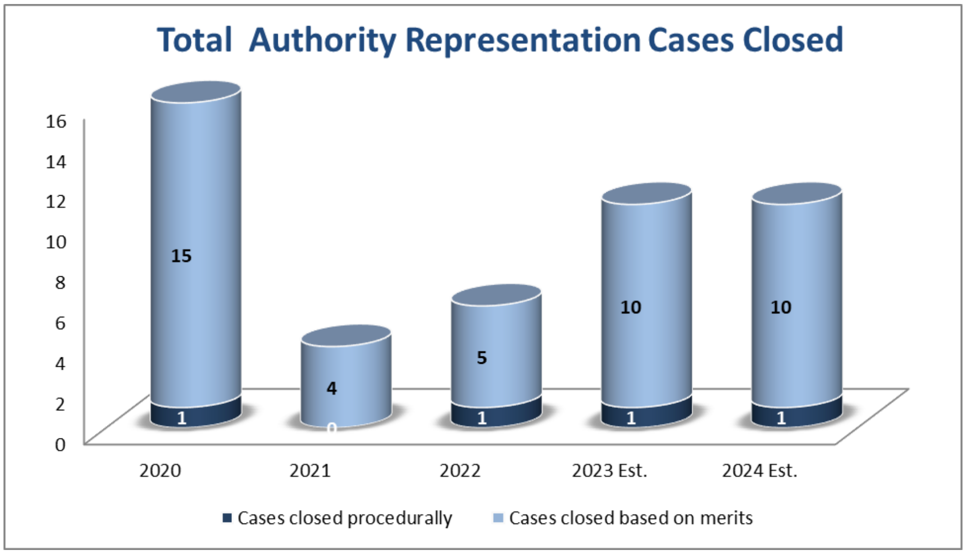
Measure 1.1.1h (New): The average age of ULP cases pending before the Authority.			
Results		**Targets**	
2022	N/A	**2022**	N/A
		2023	150 days
		2024	142 days

Measure 1.1.1i (Previously 1.1.6): The percentage of ULP cases decided by the Authority within 300 days of issuance of an OALJ decision.			
Results		**Targets**	
2020	25% – (1/4 cases) *Not Met*	**2020**	75%
2021	40% – (2/5 cases) *Not Met*	**2021**	75%
2022	100% – (11/11 cases) *Met*	**2022**	75%
		2023	N/A
		2024	N/A

Measure 1.1.1j (New): The percentage of ULP cases decided by the Authority within 300 days of assignment to a Member office.			
Results		**Targets**	
2022	N/A	**2022**	N/A
		2023	75%
		2024	75%

***Authority* Representation Cases**	**2020**	**2021**	**2022**	**2023 Est.**	**2024 Est.**
Cases pending, start of year	2	4	3	2	2
Applications for review (Intake)	**17**	**3**	**5**	**11**	**11**
Total caseload	19	7	8	13	13
Cases closed procedurally	1	0	1	1	1
Cases closed based on merits	15	4	5	10	10
Total cases closed (Output)	**16**	**4**	**6**	**11**	**11**
Cases pending, end of year	3	3	2	2	2





Measure 1.1.1k (Previously 1.1.7): The average age of representation cases decided by the Authority.			
Results		**Targets**	
2020	210 days *Not Met*	**2020**	184 days
2021	225 days *Not Met*	**2021**	184 days
2022	119 days *Met*	**2022**	214 days
		2023	113 days
		2024	107 days

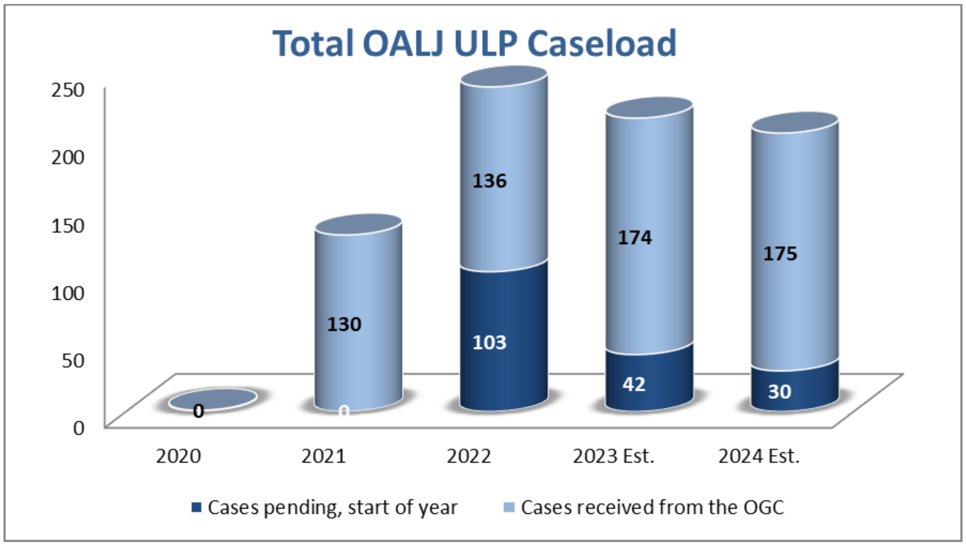
Measure 1.1.1l (New): The average age of representation cases pending before the Authority.			
Results		**Targets**	
2022	N/A	**2022**	N/A
		2023	86 days
		2024	81 days

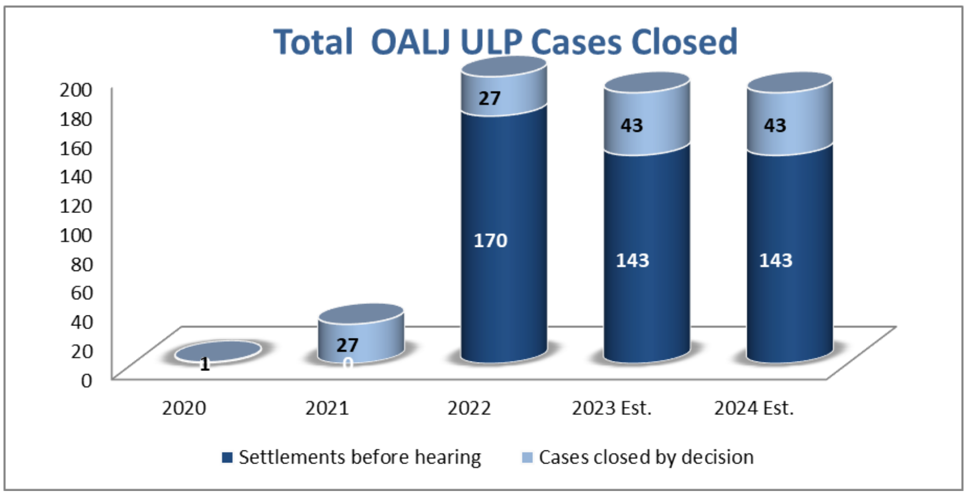
Measure 1.1.1m (Previously 1.1.8): The percentage of representation cases in which the Authority issued a decision whether to grant review within 60 days of the filing of an application for review.			
Results		**Targets**	
2020	100% – (16/16 cases) *Met*	**2020**	100%
2021	100% – (4/4 cases) *Met*	**2021**	100%
2022	100% – (6/6 cases) *Met*	**2022**	100%
		2023	100%
		2024	100%

Measure 1.1.1n (Previously 1.1.9): The percentage of representation cases decided by the Authority within 210 days of the filing of an application for review.			
Results		**Targets**	
2020	88% – (14/16 cases) *Met*	**2020**	75%
2021	75% – (3/4 cases) *Met*	**2021**	75%
2022	83% – (5/6 cases) *Met*	**2022**	75%
		2023	N/A
		2024	N/A

Measure 1.1.1o (New): The percentage of representation cases decided by the Authority within 210 days of assignment to a Member office.			
Results		**Targets**	
2022	N/A	**2022**	N/A
		2023	75%
		2024	75%

OALJ **ULP Cases**	**2020**	**2021**	**2022**	**2023 Est.**	**2024 Est.**
Cases pending, start of year	1	0	103	42	30
Complaints received (Intake)	**0**	**130**	**136**	**174**	**175**
Total caseload	1	130	239	216	205
Settlements before hearing	0	0	170	143	143
Cases closed by decision	1	27	27	43	43
Total cases closed (Output)	**1**	**27**	**197**	**186**	**186**
Cases pending, end of year	0	103	42	30	19





Measure 1.1.1p (Previously 1.1.10): The median age of ULP complaints decided by the OALJ. *			
Results		**Targets**	
2020	N/A	**2020**	*
2021	69 days *Met*	**2021**	124 days
2022	71 days *Met*	**2022**	124 days
		2023	124 days
		2024	124 days

*OALJ performance standards remain to resolve 80 percent of ULP complaints within 180 days of filing and 95 percent within 365 days.

Measure 1.1.1q (Previously 1.1.11): The percentage of ULP complaints issued by the General Counsel resolved or decided in the OALJ within 180 days of the complaint being issued. *			
Results		**Targets**	
2020	N/A	**2020**	*
2021	100% – (2/2 cases) *Met*	**2021**	80%
2022	100% – (27/27 cases) *Met*	**2022**	80%
		2023	80%
		2024	80%

*OALJ performance standards remain to resolve 80 percent of ULP complaints within 180 days of filing and 95 percent within 365 days.

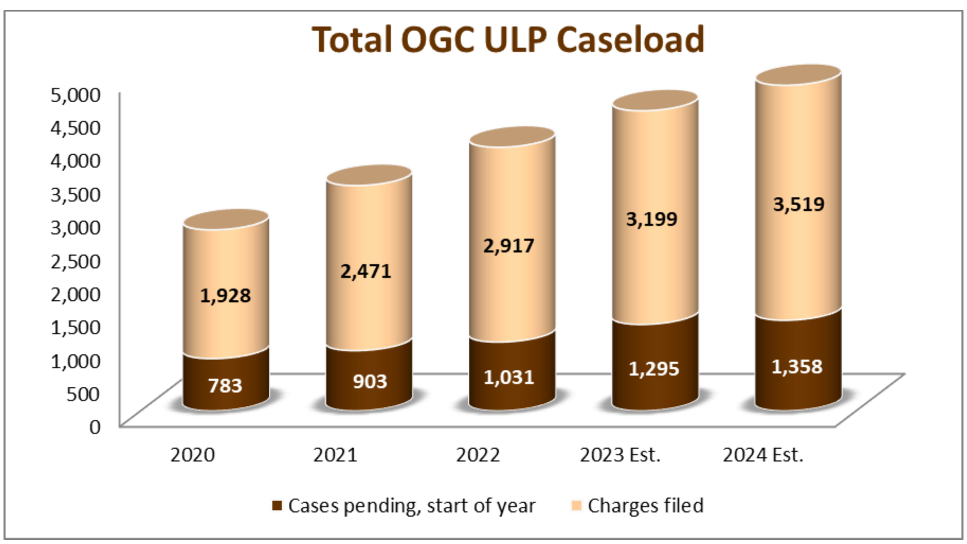
OGC **ULP Cases**	**2020**	**2021**	**2022**	**2023 Est.**	**2024 Est.**
Cases pending, start of year	783	903	1031	1295	1358
Charges filed **(Intake)**	1928	2471	2917	3199	3519
Total caseload	**2711**	**3374**	**3948**	**4494**	**4877**
Charges withdrawn/settled	1435	1850	2103	2399	2399
Charges dismissed	373	363	416	563	563
Complaints issued*	0	130	134	174	175
Total cases closed (Output)	**1808**	**2343**	**2653**[1]	**3136**[2]	**3137**[3]
Cases pending, end of year	**903**	**1031**	**1295**	**1358**	**1740**

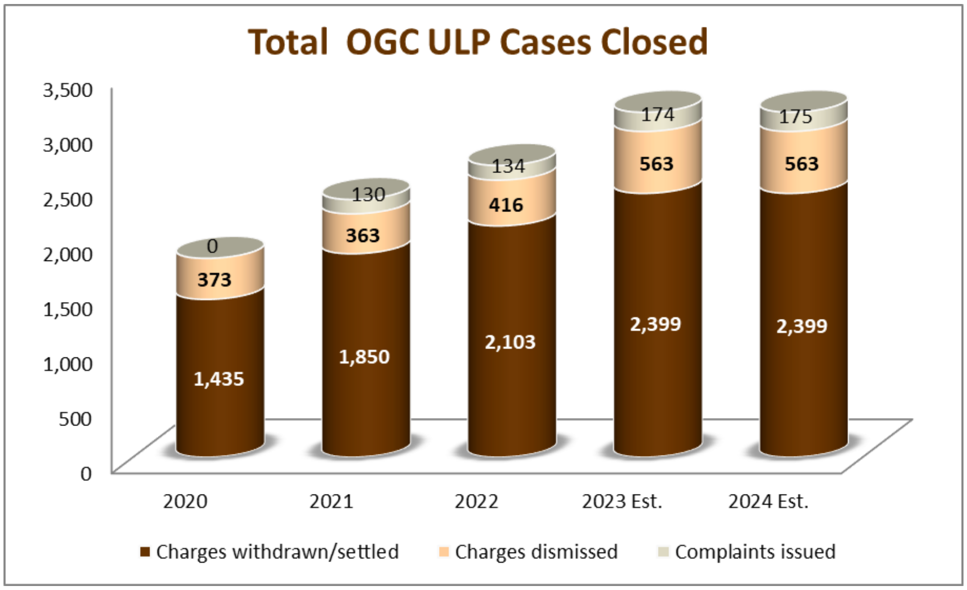
*The OGC was unable to issue complaints in the absence of a General Counsel from November 17, 2017, until an Acting General Counsel was designated on March 24, 2021.

[1] Based on OGC FTE 27 in FY22.

[2] Based on OMB-supported OGC FTE 32.

[3] Based on OMB-supported OGC FTE 32.

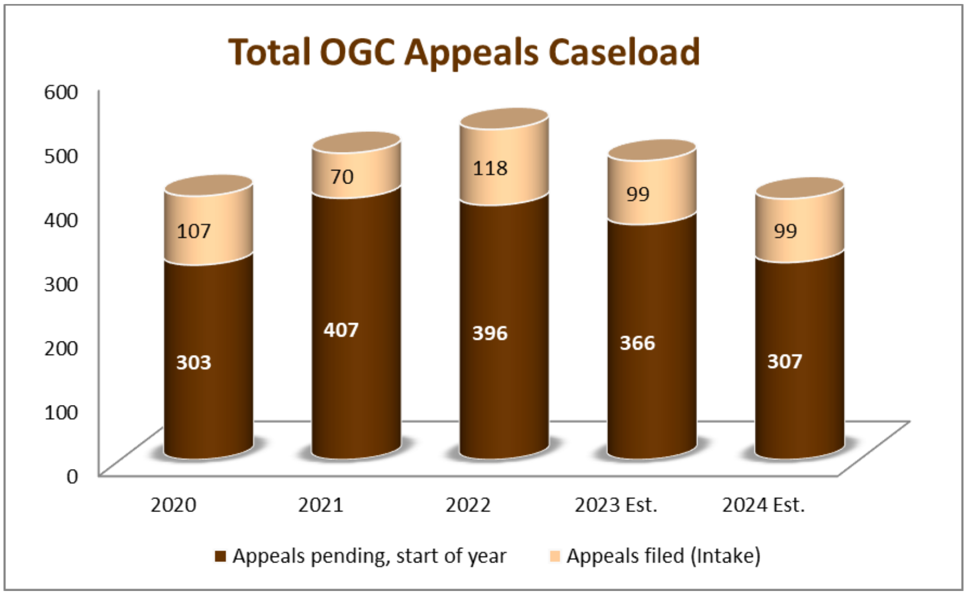


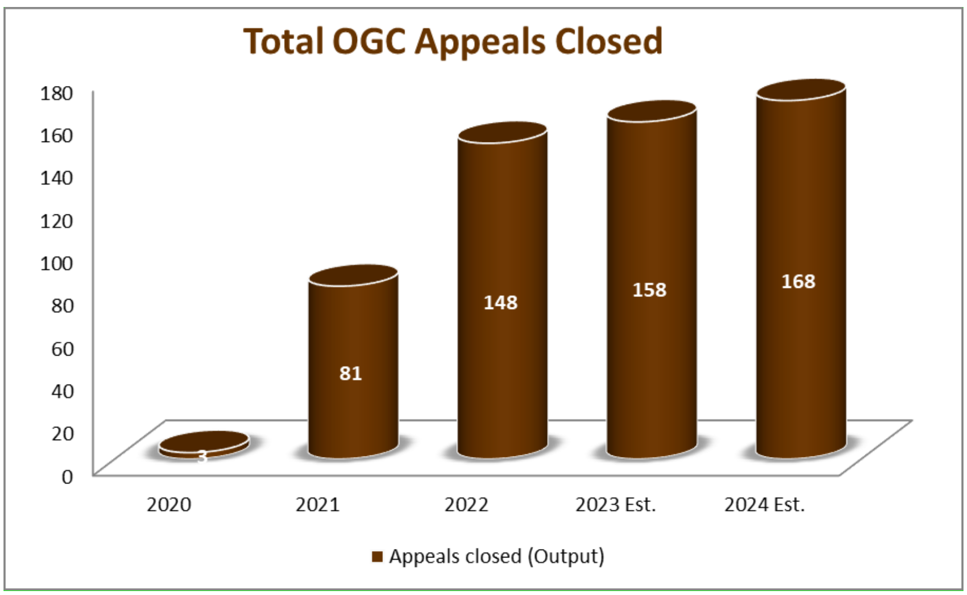


Measure 1.1.1r (Previously 1.1.12): The percentage of ULP charges resolved by the Office of the General Counsel by complaint, withdrawal, dismissal, or settlement within 120 days of filing of the charge.			
Results		**Targets**	
2020	94% – (1692/1808 cases) *Met*	**2020**	70%
2021	94% – (2208/2343 cases) *Met*	**2021**	70%
2022	85% – (2245/2653 cases) *Met*	**2022**	70%
		2023	70%
		2024	70%

OGC **ULP Appeals**	**2020**	**2021**	**2022**	**2023 Est.**	**2024 Est.**
Appeals pending, start of year	303	407	396	366	307
Appeals filed (Intake)	**107**	**70**	**118**	**99**	**99**
Total caseload	410	477	514	465	406
Appeals closed (Output)*	**3**	**81**	**148**	**158**	**168**
Appeals pending, end of year	407	396	366	307	238

*The OGC was unable to issue decisions on appeals in the absence of a General Counsel, except where a jurisdictional issue is presented, from November 17, 2017, until an Acting General Counsel was designated on March 24, 2021.



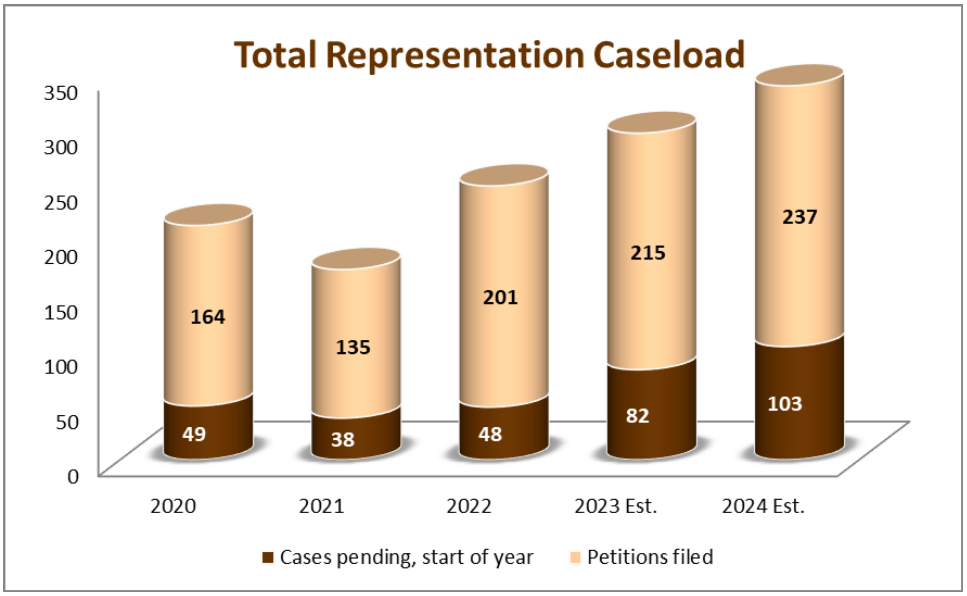


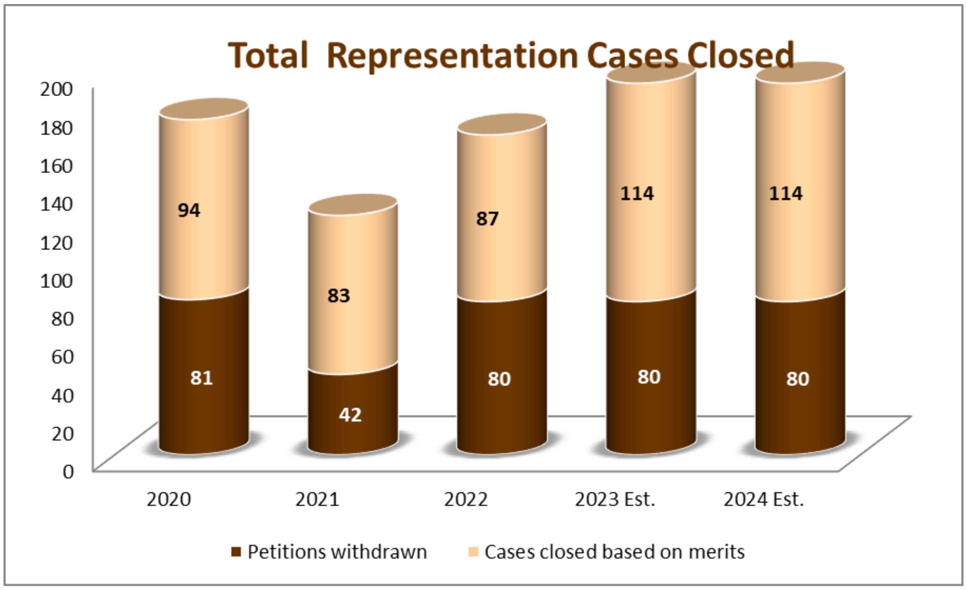
Measure 1.1.1s (Previously 1.1.13): The percentage of decisions on an appeal of a Regional Director's dismissal of a ULP charge issued by the General Counsel within 60 days of the date filed, and in no case more than 120 days.

Results		**Targets**	
2020	100% (3/3 cases)	**2020**	95%
2021	100% (81/81)	**2021**	95%
2022	100% (148/148)	**2022**	95%
		2023	95%
		2024	95%

OGC **Representation Cases**	**2020**	**2021**	**2022**	**2023 Est.**	**2024 Est.**
Cases pending, start of year	49	38	48	82	103
Petitions filed (Intake)	**164**	**135**	**201**	**215**	**237**
Total caseload	213	173	249	297	340
Petitions withdrawn	81	42	80	80	80
Cases closed based on merits	94	83	87	114	114
Total cases closed (Output)	**175**	**125**	**167**[1]	**194**[2]	**194**[3]
Cases pending, end of year	38	48	82	103	146

[1] Based on OGC FTE 27 average in FY22.
[2] Based on OMB-supported OGC FTE 32.
[3] Based on OMB-supported OGC FTE 32.



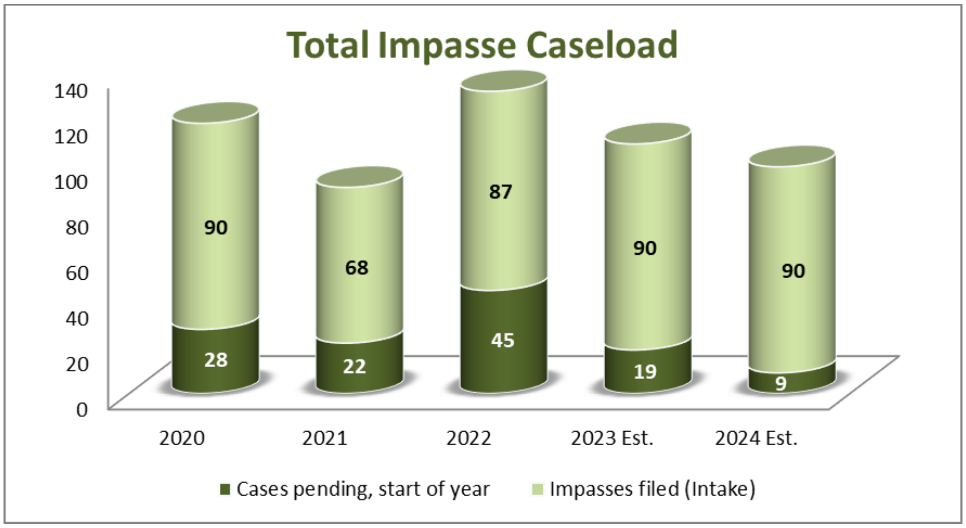


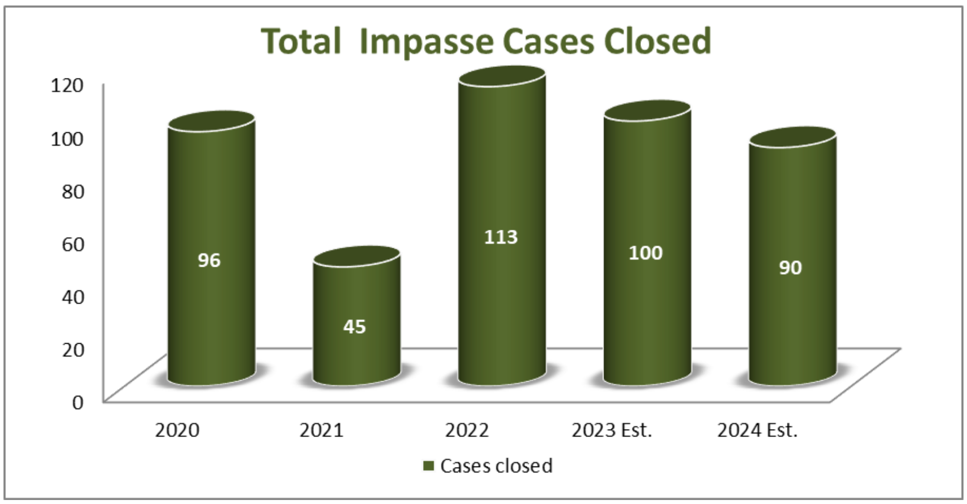
Measure 1.1.1t (Previously 1.1.14): The percentage of representation cases resolved by the OGC through withdrawal, election, or issuance of a Decision and Order within 120 days of the filing of a petition.

Results		Targets	
2020	80% (140/175 cases) *Met*	**2020**	70%
2021	77% (96/125 cases) *Met*	**2021**	70%
2022	74% (122/167 cases) *Met*	**2022**	70%
		2023	70%
		2024	70%

***FSIP* Impasses**	**2020**	**2021**	**2022**	**2023 Est.**	**2024 Est.**
Cases pending, start of year	28	22	45	19	9
Impasses filed (Intake)	**90**	**68**	**87**	**90**	**90**
Total caseload	118	90	132	109	99
Panel Decision	40	21	15	*	*
Panel declined jurisdiction	23	4	28	*	*
Settled with Panel assistance	5	2	36	*	*
Voluntarily withdrawn	28	18	34	*	*
Cases closed total (Output)	**96**	**45**	**113**	**100***	**90***
Cases pending, end of year	22	45	19	9*	9*

*The FSIP anticipates closing as many or more cases as are filed in any given year. The means by which cases are closed is driven by the parties and directive of the Panel.





Measure 1.1.1u (Previously 1.1.15): The average age of bargaining-impasse cases in which the FSIP declines jurisdiction.			
Results		**Targets**	
2020	70 days (23 cases) *Met*	**2020**	90 days
2021	64 days (4 cases) *Met*	**2021**	81 days
2022	54 days (29 cases) *Met*	**2022**	75 days
		2023	61 days
		2024	61 days

Measure 1.1.1v (New *) (Previously 1.1.16): The average age of bargaining-impasse cases that are voluntarily settled.			
Results		**Targets**	
2021	73 days *Met*	**2021**	120 days
2022	84 days *Met*	**2022**	120 days
		2023	90 days
		2024	90 days

*This new measure now reports more in parallel with other FSIP measures by providing an average for cases that are voluntarily settled.

Measure 1.1.1w (Previously 1.1.17): The average age of bargaining-impasse cases that the FSIP resolves through final action.			
Results		**Targets**	
2020	162 days (40 cases) *Not met*	**2020**	146 days
2021	137 days (21 cases) *Met*	**2021**	154 days
2022	105 days (15 cases) *Met*	**2022**	150 days
		2023	144 days
		2024	144 days

Measure 1.1.1x (New): CIP will assign the case to a Member office within 5 days of the due date for a final filing (regardless of whether such a filing has been received).			
Results		**Targets**	
2022	N/A	**2022**	N/A
		2023	75%
		2024	75%

Measure 1.1.1y (New): CIP will assign the case to a Member office within 21 days of due date of final filing.			
Results		**Targets**	
2022	N/A	**2022**	N/A
		2023	100%
		2024	100%

Measure 1.1.2a (Previously 1.2.1): The percentage of arbitration exceptions decided by the Authority within 365 days of the filing of exceptions.			
Results		**Targets**	
2020	61% – (65/107 cases) *Not Met*	**2020**	90%
2021	49% – (70/143 cases) *Not Met*	**2021**	90%
2022	56% – (70/126 cases) *Not Met*	**2022**	90%
		2023	N/A
		2024	N/A

Measure 1.1.2b (New): The percentage of arbitration exceptions decided by the Authority within 365 days of assignment to a Member office.			
Results		**Targets**	
2022	N/A	**2022**	N/A
		2023	75%
		2024	75%

Measure 1.1.2c (Previously 1.2.2): The percentage of negotiability cases decided by the Authority within 365 days of the filing of a petition for review.			
Results		**Targets**	
2020	84% – (27/32 cases) *Met*	**2020**	75%
2021	86% – (68/79 cases) *Met*	**2021**	75%
2022	75% – (50/67 cases) *Met*	**2022**	75%
		2023	75%
		2024	75%

Measure 1.1.2d (Previously 1.2.3): The percentage of ULP cases decided by the Authority within 365 days of issuance of an OALJ decision.			
Results		**Targets**	
2020	25% – (1/4 cases) *Not Met*	**2020**	90%
2021	40% – 2/5 cases) *Not Met*	**2021**	90%
2022	100% – 11/11 cases) *Met*	**2022**	90%
		2023	N/A
		2024	N/A

Measure 1.1.2e (New): The percentage of ULP cases decided by the Authority within 365 days of assignment to a Member office.			
Results		**Targets**	
2022	N/A	**2022**	N/A
		2023	90%
		2024	90%

Measure 1.1.2f (Previously 1.2.4): The percentage of representation cases decided by the Authority within 365 days of the filing of an application for review.			
Results		**Targets**	
2020	88% – (14/16 cases) *Not Met*	**2020**	100%
2021	75% – (3/4 cases) *Not Met*	**2021**	100%
2022	83% – (5/6 cases) *Not Met*	**2022**	100%
		2023	N/A
		2024	N/A

Measure 1.1.2g (New): The percentage of representation cases decided by the Authority within 365 days of assignment to a Member office.			
Results		**Targets**	
2022	N/A	**2022**	N/A
		2023	90%
		2024	90%

Measure 1.1.2h (Previously 1.2.10): The percentage of ULP complaints issued by the General Counsel decided in the OALJ within 365 days of the complaint being issued. *			
Results		**Targets**	
2020	N/A	**2020**	*
2021	100% – (2/2 cases) *Met*	**2021**	95%
2022	100% – (27/27 cases) *Met*	**2022**	95%
		2023	95%
		2024	95%

*OALJ performance standards remain to resolve 80 percent of ULP complaints within 180 days of filing and 95 percent within 365 days.

Measure 1.1.2i (Previously 1.2.11): The percentage of ULP charges resolved by the OGC by complaint, withdrawal, dismissal, or settlement within 240 days of filing of the charge.			
Results		**Targets**	
2020	99.9% (1806/1808 cases) *Met*	**2020**	95%
2021	99.8% (2338/2343 cases) *Met*	**2021**	95%
2022	98.6% (2616/2653 cases) *Met*	**2022**	95%
		2023	95%
		2024	95%

Measure 1.1.2j (Previously 1.2.12): The percentage of representation cases resolved by the OGC through withdrawal, election, or issuance of a Decision and Order within 365 days of the filing of a petition.			
Results		**Targets**	
2020	100% (175/175 cases) *Met*	**2020**	95%
2021	100% (125/125 cases) *Met*	**2021**	95%
2022	97% (161/167 cases) *Met*	**2022**	95%
		2023	95%
		2024	95%

Measure 1.1.2k (Previously 1.2.13): The percentage of bargaining-impasse cases in which the FSIP declines jurisdiction within 140 days of the date filed.			
Results		**Targets**	
2020	100% - (23/23 cases) *Met*	**2020**	90%
2021	100% - (4/4 cases) *Met*	**2021**	90%
2022	100% - (29/29 cases) *Met*	**2022**	90%
		2023	90%
		2024	90%

Measure 1.1.2l (Previously 1.2.14): The percentage of bargaining-impasse cases that are voluntarily settled within 160 days of the date filed.			
Results		**Targets**	
2020	85% – (11/13 cases) *Met*	**2020**	80%
2021	100% – (2/2 cases) *Met*	**2021**	80%
2022	100% – (38/38 cases) *Met*	**2022**	80%
		2023	80%
		2024	80%

Measure 1.1.2m (Previously 1.2.15): The percentage of bargaining-impasse cases that the FSIP resolves through final action that are closed within 200 days of the date filed.			
Results		**Targets**	
2020	88% – (35/40 cases) *Met*	**2020**	80%
2021	95% – (20/21 cases) *Met*	**2021**	80%
2022	100% – (15/15 cases) *Met*	**2022**	80%
		2023	80%
		2024	80%

Strategic Goal 2: We will promote stability in the federal labor-management community by providing leadership and guidance through Alternative Dispute Resolution and education.

Key to the FLRA's ADR objectives is to offer high-quality outreach and prevention services as well as resources to promote more effective labor-management relations across the federal government. ADR is an informal process that allows parties to discuss and develop their interests in order to resolve the underlying issues and problems in their relationships. This includes interest-based conflict resolution and intervention services in pending ULP cases, representation cases, arbitration cases, negotiability appeals, and bargaining-impasse disputes. The Agency also provides facilitation and training to help labor and management repair damaged workplace relationships and develop constructive relationships capable of solving difficult problems and making important decisions. Many of the OGC's training programs are now available as web-based training modules, bringing educational tools and resources directly to agency customers at their desks to further assist them in preventing and resolving labor-management disputes. The FLRA's goals include delivering outreach, training, and facilitation services that significantly contribute to the FLRA's mission, and ensuring that training participants evaluate FLRA training as highly effective.

PERFORMANCE GOAL 2.1.1: PROVIDE TARGETED TRAINING, OUTREACH AND PREVENTION, AND FACILITATION ACTIVITIES WITHIN THE LABOR-MANAGEMENT COMMUNITY.

PERFORMANCE GOAL 2.1.2: PROVIDE EFFECTIVE, USEFUL, UP-TO-DATE CASE-PROCESSING AND CASE-LAW RESOURCES AND TRAININGS FOR THE LABOR-MANAGEMENT COMMUNITY

Each FLRA component delivers training and outreach in a manner reflecting its unique expertise.

The OGC and Authority components deliver training and outreach services that have a statutory focus, which makes them appropriate for remote, online, and recorded media. Most of CADRO's prevention services are different and therefore offered in a different manner.

CADRO offers various prevention services that improve "soft skills," which ironically are quite hard to master. The common link that binds most CADRO prevention services is that they are designed to help party representatives more effectively and efficiently solve complex workplace problems and make important workplace decisions, which can be especially difficult in traditional labor-management relationships. Communication skills, interest-based problem-solving skills, facilitation skills, collective bargaining skills, dispute resolution techniques, and effective advocacy in ADR forums are just some of what CADRO staff teach management and union representatives. For some parties, the targeted outcome is to repair severely damaged workplace relationships. For others, the goal is to improve the operation of a stable, traditional labor-management relationship. For yet others, CADRO staff help parties develop and implement a trajectory from a traditional labor-management relationship to a highly collaborative labor-management partnership. Ultimately, CADRO offers these services to help parties improve mission performance, quality of work life, and day-to-day workplace relationships. In doing so, CADRO helps the FLRA exercise leadership in the manner envisioned by the President's Executive Order on Worker Organizing and Empowerment (14025), his Executive Order Protecting the Federal Workforce (14003), and the White House Task Force on Worker Organizing and Empowerment Report adopted by the President.

In situations where parties experience labor-management challenges, targeted assistance can promote stable labor-management relationships by educating the parties regarding their statutory rights and obligations. It can also promote effective and efficient Government by assisting parties in addressing their disputes without necessarily resorting to formal filings. Additional targeted assistance may take various forms, including offering training to parties on particular topics that have given rise to frequent ULP charges, negotiability disputes, or arbitration exceptions. Other types of assistance might be most appropriate for parties experiencing broader labor-management challenges. For parties involved in complex representational matters, targeted assistance can include conducting conferences with the parties to assist them in identifying and, if feasible, resolving relevant issues.

Measure 2.1.1a (Previously 2.1.1): The number of training, labor-management improvement, outreach, and facilitation activities delivered.			
Results		**Targets**	
FY 2020	20 *Not Met*	**FY 2020**	40
FY 2021	54 *Met*	**FY 2021**	40
FY 2022	76 *Met*	**FY 2022**	40
		FY 2023	40
		FY 2024	40

Measure 2.1.1b (Previously 2.1.2): The number of recipients of training, labor-management improvement, outreach, and facilitation activities.			
Results		**Targets**	
FY 2020	2,780 *Met*	**FY 2020**	2.500
FY 2021	7,886 *Met*	**FY 2021**	2,500
FY 2022	18,791 *Met*	**FY 2022**	2,500
		FY 2023	2,500
		FY 2024	2,500

Measure 2.1.1c (Previously 2.1.3): The percentage of participant responders who highly rate the training that they received.			
Results		**Targets**	
FY 2020	N/A	**FY 2020**	80%
FY 2021	93% *Met*	**FY 2021**	80%
FY 2022	96% *Met*	**FY 2022**	80%
		FY 2023	80%
		FY 2024	80%

Measure 2.1.1d: (Previously 2.1.4): The number of times that on-demand online training is used.			
Results		**Targets**	
FY 2022	15,000+ *Met*	**FY 2022**	1,000
* New FY 2022 Measure.		**FY 2023**	1,000
		FY 2024	1,000

PERFORMANCE GOAL 2.2.1: SUCCESSFUL RESOLUTION OF A SIGNIFICANT PORTION OF FLRA CASES THROUGH ADR

Parties normally litigate because they want an answer to a legal question. Getting an answer to a legal question is not the same as solving the problem that gave rise to the legal question. A large percentage of parties to cases before the FLRA elect to use our ADR services to prevent and solve workplace problems.

ADR is any type of dispute resolution process—other than litigation—that is administered by a 3rd party. There are many types of ADR, from facilitative at one end of the spectrum, to evaluative at the other. Types of ADR used by skilled professionals at the FLRA include mediation, facilitation, settlement conferences, and mediation-arbitration. Other ADR tools are also used when appropriate.

Measure 2.2.1a (Previously 2.2.1): Percentage of unfair labor practice cases where OGC offer of ADR is accepted and case is partially or fully resolved.

Results		Targets	
FY 2022	99% *Met*	**FY 2022**	95%
		FY 2023	95%
		FY 2024	95%

Measure 2.2.1b (Previously 2.2.2): Percentage of representation cases where OGC offer of ADR is accepted and case is partially or fully resolved.

Results		Targets	
FY 2022	99% *Met*	**FY 2022**	95%
		FY 2023	95%
		FY 2024	95%

Measure 2.2.1c (New): The percentage of appropriate ULP cases in which ADR services are offered to the parties or ordered by the OALJ Chief Judge.

Results		Targets	
FY 2022	100% *Met*	**FY 2022**	90%
		FY 2022	90%
		FY 2023	90%

* New FY 2022 Measure.

Measure 2.2.1d (New): The percentage of ULP cases that are partially or totally resolved after ADR services are accepted by the parties or ordered by the OALJ Chief Judge.			
Results		**Targets**	
FY 2022	88% *Met*	**FY 2022**	80%
* New FY 2022 Measure.		**FY 2022**	80%
		FY 2023	80%

Measure 2.2.2a (New): The percentage of appropriate arbitration cases pending before the Authority in which ADR services are offered to the parties.			
Results		**Targets**	
FY 2022	TBD	**FY 2022**	TBD
* New FY 2022 Measure. Cases just started 8/2022 – Data forthcoming		**FY 2023**	90%
		FY 2024	90%

Measure 2.2.2b (New): The percentage of arbitration cases that are partially or totally resolved after the parties accept an offer of ADR services.			
Results		**Targets**	
FY 2022	TBD	**FY 2022**	TBD
* New FY 2022 Measure. Cases just started 8/2022 – Data forthcoming		**FY 2023**	60%
		FY 2024	60%

Measure 2.2.3a (New): The percentage of appropriate negotiability cases pending before the Authority in which ADR services are offered to the parties.			
Results		**Targets**	
FY 2022	100% *Met*	**FY 2022**	90%
* New FY 2022 Measure.		**FY 2023**	90%
		FY 2024	90%

Measure 2.2.3b (New): The percentage of proposals or provisions in negotiability cases that are partially or totally resolved after the parties accept an offer of ADR services.			
Results		**Targets**	
FY 2022	100% (170/170 cases) *Met*	**FY 2022**	90%
* New FY 2022 Measure.		**FY 2023**	90%
		FY 2024	90%

Measure 2.2.3c (New): The percentage of negotiability cases that are partially or totally resolved after the parties accept an offer of ADR services.			
Results		**Targets**	
FY 2022	100% (13/13 cases) *Met*	**FY 2022**	90%
* New FY 2022 Measure.		**FY 2023**	90%
		FY 2024	90%

Measure 2.2.3d (New): The percentage of cases – other than ULP, arbitration, and negotiability – that are partially or totally resolved after parties accept an offer of ADR services.			
Results		**Targets**	
FY 2022	100% (5/5 cases) *Met*	**FY 2022**	75%
* New FY 2022 Measure.		**FY 2023**	75%
		FY 2024	75%

Strategic goal 3: We will manage our resources effectively and efficiently in order to achieve organizational excellence.

The FLRA's ability to fulfill its core mission under the Statute depends on excellent management of the organization and its resources. The organizational-excellence goal emphasizes how the Agency's employees, IT infrastructure, and allocation of resources are central to achieving all of the strategic goals and objectives outlined in the strategic plan.

The landscape of the federal workplace and workforce continues to evolve, especially in light of COVID and the need to rapidly respond to the changing future of work. It is crucial to simultaneously focus on developing the workforce of the future while retaining valuable institutional knowledge.

The Agency is prepared to meet ever-changing business demands through the innovative use of IT to best manage the workload and interact with parties. The FLRA continues to be an effective steward of taxpayer dollars. The Agency's future operational approaches are designed to foster nimble and seamless deployment of resources coupled with cost-avoidance strategies to support productive labor-management relations across the federal government.

PERFORMANCE GOAL 3.1.1: DEMONSTRATE STRONG RECRUITMENT AND RETENTION PRACTICES

Measure 3.1.1a (Previously 3.1.1): Demonstrable, strong recruitment and retention practices.	
Results	
2020	• Scheduled quarterly Diversity and Inclusion Team events and programs to highlight and celebrate diversity of Agency employees including Black History Month, Women's History, Pride Month, Hispanic Heritage Month--provided pertinent resources/informational subject matter regarding diversity through weekly emails, published monthly newsletter and all employee intra-agency communications. • Met or exceeded Government-wide standards for diversity and Schedule A hiring. Established contacts with organizations that assist individuals with disabilities in securing employment including: America Job Centers, state vocational rehabilitation agencies, the Veterans' Vocational rehabilitation and Employment Program, Centers for Independent Living, and employment network service providers to ensure recruitment efforts include individuals with disabilities. The Agency also utilized the Schedule A hiring authority to fill critical vacancies this FY. • Continued to support the Agency Diversity and Inclusion Team in their collective efforts to provide information to all FLRA employees. • Increased recruitment efforts allowed the Agency to gather time-to-hire data in 2019 and 2020 to use to assess recruitment and staffing processes and procedures moving forward.
2021	• Conducted an agency-wide recruitment effort for additional members for the Agency Diversity, Equity, and Inclusion Team. The team now has 15 members that we believe properly reflect the diversity of the Agency. • Developed the official charter for the team that was approved by all members and established subcommittees to address the necessary actions in line with the new administration's Executive Orders and mandates related to DE&I. The subcommittees include but are not limited to Training, Recruiting and Hiring, Agency Events, and Policy Review.
2022	• Continued to reinforce recruitment and retention of a diverse and inclusionary workforce. • Developed an agency-wide workforce demographic survey to gain more in-depth information from agency employees to establish various employee groups and committees to facilitate diverse agency programs and policies. • Deployed a new, automated Time and Attendance system and a more secure e-OPF (online Official Personnel Folder) system. • Developed new and improved recruitment strategies based on overall time to hire assessments. • Developed an Agency entrance and exit survey for all employees to gain data on incoming perceptions of the agency and why employees are

	leaving the agency. This Data will assist us in recruitment planning and providing the proper consultation to management for developing an effective recruitment strategy to successfully fill vacant positions.
Targets	
2023	• Develop an expanded recruitment base that is inclusive of all communities to include individuals with disabilities, varied races, cultures, incomes, educations, social affiliations, intellectual perspectives, languages, religions, ethnicities and members of the LGBTQ+ communities. • Continue automation improvements to include a performance management system. • Effectively utilize the Agency's Diversity, Equity, and Inclusion committee to gain new ideas from members of the agency to better recruit and, more importantly, retain a diverse workforce representative of the country. • Establish an Employee Engagement program to raise awareness of how FLRA utilizes Federal Employee Viewpoint Survey (FEVS) results to strengthen a healthy organizational environment and effectiveness. • Improve diversity at higher grade levels including supervisory, management, and senior Executive positions through leadership competencies development and strategic recruitment.
2024	• Strengthen internal Labor-Management Relations. • Continue to ensure the safety and security of FLRA employees and customers. • Improve leadership effectiveness to: o Establish a safe environment for the workforce to share ideas, innovations and proposals concerning work within their subject-matter areas; o Empower the workforce to improve processes and results; o Build trust and confidence in senior leadership integrity by communicating information which impacts the workforce early and often, including staff for pre-decisional input on work strategies, systems, tools, partners, and methods when feasible. • Implement enhanced employee recognition, awards, and appreciation strategies. • Measure onboarding effectiveness and new employee experiences.

PERFORMANCE GOAL 3.1.2: MAINTAIN AND GROW AGENCY EXPERTISE THROUGH EMPLOYEE DEVELOPMENT

Measure 3.1.2a (Restored): Maintain and grow agency expertise through employee development.	
Results	
2022	• Maintain an environment conducive for learning to include greater use of technology for online, "on demand" training and the ability to record training and information sessions with subsequent availability across the workforce as needed.

	• Establishment of collaborative exchanges with the Small Agency Council (SAC) and the Interagency Human Resources (HR) Policy Community of Practice, for example, sharpens the capabilities of the Human Resources Division personnel. Sharing of information and resources among external organizations enhances perspective and facilitates compliance and agility to ensure timely implementation of HR regulations, programs, operations, policies, and strategies. • Effective utilization of detail opportunities for experiential learning and optimal use of available talent. This increases knowledge of the operations, standards, and customer relations of other FLRA components.
Targets	
2023	• Expand networks for training resources to include access to Department of the Interior (DOI) University training programs for the FLRA workforce. • Justify an FTE in the Human Resources Division for an Organization Development and Engagement Specialist with functional responsibilities to integrate strategic planning of organizational goals with organizational performance. This involves subject-matter expertise in human capital management (e.g., program evaluation, accountability, employee engagement best practices) and talent management (e.g., employee and leadership development, succession planning, workforce planning). • Deploy an automated performance management system to enhance records management, data collection and analysis, and operational efficiencies in tracking activities throughout the performance management cycle.
2024	• Establish a robust Leadership Development Program in-house or utilize external programs to strengthen readiness for promotion at every level and ensure a pool of diverse, prepared successors for supervisory, management, and executive-level opportunities. • Explore mentoring programs and peer-to-peer training. • Increase use of available Executive Resources services to support senior management officials through transitions; ensure executive leadership development; improve diversity, equity, inclusion, and accessibility at the highest levels of the agency; and staff Senior Executive Service (SES), Senior Level (SL), and Senior Technical (ST) vacancies.

PERFORMANCE GOAL 3.2.1: IMPROVE EFILING CAPABILITY AND MAXIMIZE ITS USE IN RECEIVING CASE FILINGS

Measure 3.2.1a (Previously 3.2.1): Expand the use of electronic filing for all components.	
Results	
2020	• 56 percent of cases eFiled Agency-wide. • 89 percent of Authority cases eFiled. • OGC eFiling increased by 9.3 percent. • Streamlined eFiling software & created eFiling training module.
2021	• 68 percent of cases eFiled Agency-wide. • 78 percent of Authority cases eFiled. • OGC eFiling increased by 14 percent. • Research and planning began to vastly increase capabilities of the eFiling system to allow a wider array of case types/actions and interactions.
2022	• 77 percent of cases eFiled Agency-wide. • 74 percent of OGC cases eFiled. • OGC eFiling has increased 8% from FY21.
Targets	
2023	• 80% of cases filed electronically. • Critically review and revise FLRA regulations to modernize filing requirements.
2024	• Fully align procedural regulations for case submission with available technology resources (eFile, etc.) to eliminate costly legacy means. • Draft new regulations to allow FLRA service by email, where appropriate.

Measure 3.2.1b (Previously 3.2.2): Move FLRA towards 100% electronic case files, electronic permanent records, and electronic case management.	
Results	
2020	• Developed Case Management System (CMS) for the Authority component of the FLRA. Developed electronic case file structure in the DMS and initial planning to automate creating the electronic folders from the CMS.
2021	• Combined original Phase 2 and Phase 3 of the four-phase plan to implement fully-electronic casefile. Developed and tested end-to-end electronic casefile for the Authority component, rolled out in late 2020.
2022	• Enhancements and improvements continue on Authority CMS. OGC CMS development hindered by lack of appropriated funds, but continues slowly.
Targets	
2023	• OGC implement "electronic" ULP and REP case filing system for all new cases; eliminate use of analog case files. • Continue development and implementation of end-to-end electronic casefile system for all FLRA components.
2024	• Continue development and implementation of end-to-end electronic casefile system for all FLRA components. Align Agency policies and procedures for full acceptance of fully Electronic Casefile.

PERFORMANCE GOAL 3.2.2: ENHANCE EMPLOYEE TECHNOLOGY USAGE AND SKILLS AT EVERY LEVEL

Measure 3.2.2a (New) (Previously 3.2.3): Achieve an exceptional level of information security by increasing the percentage of systems using a zero-trust model and multifactor authentication and by promptly complying with cybersecurity orders and directives.	
Results	
2021	*New Measure for 2022
2022	• 75% of systems using Zero Trust model, CISA-Standard CDM and EDR implemented fully
Targets	
2023	• 90% of systems using Zero Trust model; Multifactor Authentication in use for all externally provided systems
2024	• 100% Zero Trust architecture, MFA in all internal and external facing systems.

Measure 3.2.2b (Previously 3b-4): Assess how internal and external customers perceive the effectiveness of the Agency's IT modernization efforts.	
Results	
2020	• Produced & administered a survey to assess employees' response to the new WebEx system rolled out during pandemic in 2020. • Employee Engagement Team & FLRA Pandemic Task Force jointly produced a survey to gather information on best practices, needs, to assess overall response to maximum telework, and to invite personnel to raise return to workplace concerns (77 percent respondents—positive results). • Received a well-above-positive response to managers' survey questions on how IT is functioning during maximum telework mode. • Reinstated the Technology Council in order to directly gather feedback and actionable input regarding IT modernization efforts. • Administered internal survey to assess how FLRA employees perceive the effectiveness of the Agency's IT modernization efforts.
2021	• Received overwhelmingly positive comments about the effort to move from legacy DMS solution to new integrated DMS.
2022	• Used surveys and focus group meetings to assess the success and acceptance of the migration out of iManage and into SharePoint. Achieved about 90% satisfaction with both the new resource and the migration effort.
Targets	
2023	• Continue to administer targeted surveys to assess usability of proposed broad changes and enhancements to eFiling and case-management. • Apply lessons learned and improve surveying for Agency migration of video and telephony services to a cloud platform. • Maintain open dialog with internal and external customers to best diagnose, assess, and plan future fixes and enhancements.
2024	• Continue to administer targeted surveys to assess usability of changes, fixes, and enhancements to the eFiling system and the Authority component CMS. • Apply lessons learned and improve surveying for new development work for the OGC Component Case Management System. • Maintain open dialog with internal and external customers to best diagnose, assess, and plan future fixes and enhancements.

PERFORMANCE GOAL 3.3.1: ACHIEVE HIGH INTERNAL CUSTOMER-SERVICE SCORES ON DELIVERY OF ADMINISTRATIVE SERVICES

Measure 3.3.1a (New) (Previously 3.1.2): Improvement in overall employee job satisfaction, as demonstrated through the score for question 42 of the Federal Employee Viewpoint Survey (FEVS).

Year	Results	Targets
Reported in 2020	62% satisfied in 2019	
Reported in 2021	73% satisfied in 2020	
Reported in 2022	73% satisfied in 2021	
Reported in 2023	TBD satisfied in 2022	75% satisfied
Reported in 2024		77% satisfied

LEGACY STRATEGIC GOALS, OBJECTIVES, AND MEASURES

As part of the FLRA's ongoing performance planning, it developed a new 2022-2026 Strategic plan, replacing, rewording, or eliminating, outdated or irrelevant goals, objectives and measures. They are listed here.

Legacy Performance Goal 1b-1: Conduct high-quality investigations and produce high-quality written work products.	
Measure 1b-1: Establish and surpass case-processing quality goals.	
Results	
2019	Developed internal tools to establish agency case quality goals and identify areas where improvement is needed, to be used in conjunction with performance reviews.
2020	Updated all performance standards to include a quality standard. Monitored quality and evaluated through end-of-year performance evaluations. Developed and instituted Agency-wide informal training program using brown bag sessions. Conducted internal legal writing training for Authority attorneys and legal interns. Following an internal survey on training needs, provided unlimited access to "West Legal Ed" for multitude training opportunities - ideal remote training opportunity during maximum telework/social distancing. Increased emphasis on well written cases, in compliance with the Plain Writing Act and as mentioned by Chairman Kiko and Member Abbott in the August 2020 FDR conference video.
2021	Authority has eliminated redundancies in its decisions by weaving the parties' arguments into the analysis portion of decisions, rather than initially setting forth the parties' arguments and then restating them in the analysis. By moving all legal citations to footnotes – instead of placing them in text – Authority decisions are now more readable because the citations do not interrupt the flow of sentences. Recitation of frequently applied legal standards and disposition of minor issues are increasingly relegated to footnotes so that the main text is more streamlined. Plain-language principles applied to FLRA website: active voice; improved organization by case types; visually engaging design, simplified global navigation, improved usability and search function, all-new substantive content, and a convenient training-registration tool.
Targets	
2019	Complete development of Agency-wide quality assessment tools and finalize pilot implementation.
2020	Target areas for improvement in case-processing quality, based on data gathered from internal tool(s) and survey results. Set case-quality goals, as measured by surveys or other quality assessment tools.
2021	Written work products should reflect an increase in quality, as measured by the tools.
2022	Written work products should reflect an increase in quality, as measured by the tools.

Legacy Performance Goal 1b-2: Implement effective methods to maintain and improve the quality of FLRA investigations and written work products, including FLRA staff training and internal education resources.	
Legacy Measure 1b-2: Train FLRA staff and provide internal educational resources to improve the quality of investigations and written work products.	
Results	
2019	Developed and instituted Agency-wide informal training program using brown bag sessions. Developed and administered internal survey on training. Encouraged employees to increase awareness of Authority decisions by using electronic distribution tool for Agency-wide dissemination of decisions. Implemented Individual Development Plans for each staff member to identify training needs.
2020	Conducted in-house Casework Training in early March 2020. Conducted internal legal writing training for Authority. attorneys and legal interns. See also 2020 results in Measure 1b-1.
2021	Professional development budget was set at $1000 per employee, allowing each staffer to take one or conceivably two professional development courses as desired.
Targets	
2019	Develop internal training programs and other educational tools Agency-wide in order to improve the quality of investigations and written work products (e.g., component-specific mentoring programs, Agency-wide or component-specific brown bag sessions, Agency-wide dissemination of decisions and other relevant legal opinions). Develop and administer internal surveys or other measures to assess the effectiveness of pilot internal training programs and educational tools. Make necessary adjustments to make internal training programs more effective. Formally implement those internal training programs and educational tools that are deemed effective in order to improve the quality of investigations and written work products.
2020	Target ways to improve the effectiveness of internal educational resources based on survey results. Show a 10 percent increase in the effectiveness of internal educational resources, as measured by internal survey instruments or other measures developed in 2019.
2021	Continue to make necessary adjustments to maximize efficiency of internal training programs. Increase professional development options for FLRA staff in order to improve the quality of investigations and written work products.
2022	Continue to make necessary adjustments to maximize efficiency of internal training programs. Increase professional development options for FLRA staff in order to improve the quality of investigations and written work products.

Legacy Performance Goal 1b-3: Ensure external stakeholder confidence in FLRA's abilities.	
Legacy Measure 1b-3: Customer perceptions about FLRA's impartiality.	
Results	
2019	Developed a survey to assess parties' perceptions of FLRA's impartiality.
2020	COVID-19 delayed implementation of pilot survey – will carry over to 2021
2021	COVID-19 and change in leadership delayed implementation of pilot survey
Targets	
2019	Develop and administer an external survey(s) to assess the parties' perceptions of FLRA's impartiality.
2020	Maintain or improve overall perceptions about FLRA's impartiality year over year. Pilot external survey.
2021	Deliver external survey electronically with every final agency action and evaluate results.
2022	Deliver external survey electronically with every final agency action and evaluate results.

Legacy Measure 2a: Expand the relevancy, currency, and reach of educational tools.	
Results	
2019	Drafted digests and prepared for upcoming publication. Acquired animation software to begin developing short animated training videos. Piloted desktop video teleconferencing to expand capabilities for providing interactive external training online. Developed 5 pre-recorded training modules in preparation for posting. Updated OGC Unfair Labor Practice Case Law Outline and the OGC Representation Case Outline.
2020	FLRA issued two press releases announcing seven online training sessions Agency-wide. FLRA produced and published several training videos on a new YouTube channel (Youtube.com/c/FederalLaborRelationsAuthority) Also posting five pre-recorded training modules on FLRA.gov YouTube trainings plus those currently on the website. Continue to provide case digest summaries for all Authority decisions. To date, the Authority has published approximately 205 digests. Quarterly digests reports are up to date and were announced in a press release. Requested public comment on proposed negotiability regulations. Agency updated its union-dues-revocation regulation. Conducted live-stream training. Requested public comment via Federal Register notice on four policy statement requests. Agency issued five policy statements. Updated OGC Representation Case Outline.
2021	Expanded the number of animated YouTube training available on (Youtube.com/c/FederalLaborRelationsAuthority). FLRA issued two press releases announcing ten online training sessions Agency-wide.

	The topics covered in the videos are eFiling, Unfair Labor Practice Investigations, Timeliness under Section 7118(a)(4), and Investigatory Examinations (a seven-lesson course). Quarterly case digest reports continued.
Targets	
2019	Update at least 3 guides or manuals Agency-wide. Establish a mechanism to live stream trainings online or offer pre-recorded trainings on the FLRA.gov website. Offer at least 5 training sessions online Agency-wide. Begin publishing case digest summaries for all Authority decisions. OGC and FSIP to evaluate doing the same for their decisions.
2020	Critically review and update the relevancy and currency of Agency regulations. Update 2 guides or manuals Agency-wide. Offer 7 training sessions online Agency-wide. Continue to provide case digest summaries for all Authority decisions. Provide OGC and FSIP case digests, if deemed appropriate.
2021	Critically review and update the relevancy and currency of Agency regulations. Update remaining guides or manuals Agency-wide as needed. Offer 10 additional training sessions online as developed. Continue to provide case digest summaries for all Authority decisions. Provide OGC and FSIP case digests, if deemed appropriate.
2022	Continue to expand online resources. Continue to provide case digest summaries for all Authority decisions. Provide OGC and FSIP case digests, if deemed appropriate.

Legacy Measure 2b: Develop and implement a highly effective, totally voluntary targeted-assistance program and related procedures.	
Results	
2019	Collaborated with FMCS on a pilot program for mediation of appropriate negotiability disputes. Addressed specific requests of parties for targeted training.
2020	FLRA conducted 16 customer trainings. Authority & FSIP lawyers successfully trained FMCS mediators. The Authority and FMCS developed a shared electronic case-management system to track the status of referred NEG cases. In December 2019, began referring NEG cases to FMCS mediators. To date, FMCS has narrowed – or entirely resolved – the negotiability dispute in 50 percent (5/10) of referred cases. To date, FMCS mediators assisted parties in resolving 71 percent (82/117) of the proposals/provisions referred to mediation. Authority and FMCS project leaders confer regularly to refine and apply metrics for measuring success. FLRA implemented a PDF questionnaire for customers to be used in representation cases (implemented during COVID-19). Virtual REP hearings procedures were put into place. Addressed specific requests of parties for targeted training.
2021	CADRO was restored. FMCS mediation pilot program was terminated.

Targets	
2019	Develop the criteria for identifying parties with significant labor-management challenges. Develop procedures for offering targeted assistance to identified parties or referring such parties to appropriate resources. Pilot a targeted-assistance program. Identify metrics for evaluating the program's success. Formally implement a targeted-assistance program with appropriately ambitious measures to assess its effectiveness.
2020	Train FMCS mediators and support the pilot mediation program. Establish metrics for evaluating mediation program. Evaluate the effectiveness of the targeted-assistance program using the metrics established in 2019. Make necessary refinements and improvements based on customer feedback. Increase the program's overall success as measured by the metrics established in 2019.
2021	Evaluate the effectiveness of the FMCS mediation pilot program using metrics established in 2020. Continue to evaluate the targeted-assistance program.
2022	With the re-establishment of CADRO, FLRA will discontinue this measure.

Legacy Measure 3a: Align performance-management systems and individual performance plans with current Strategic Plan.

Results	
2019	Evaluated Agency performance-management systems and individual employee performance plans for alignment with the legacy Strategic Plan. Formed Strategic Implementation Teams for the three types of positions (1) OGC Attorneys, (2) Non-OGC attorneys, (3) Non-Attorneys and tasked those teams with offering recommended revisions to employees' standards and elements. Strategic Implementation Teams have provided Agency leadership with recommended revisions of performance plans to pilot in 2020.
2020	Completed the development of revised performance plans for all attorney positions and rolled them out for 2020 performance year. Assessing employees' perceptions that performance management systems align with the legacy Strategic Plan via FEVS. In FEVS 2020 results, 90.8 percent of employees "Know how my work relates to the agency's goals," up from 79.2 percent in 2019. Completed the development of revised performance plans for all non-attorney and manager positions. Completed the review of, and updated, the Agency's GS performance management system's policy and the Agency's attorney individual performance plans to ensure they align directly with the 2018-2022 Strategic Plan. Created the new SL performance plans.
2021	Evaluated pilot and revise performance plans as appropriate. Managers added whistleblower protection information to performance plans. Completed the development of revised performance plans for all remaining positions.

Targets	
2019	Develop communications strategies, educational tools, and other materials to successfully implement the new systems. Develop and administer an internal survey(s) to assess whether employees perceive that performance management systems (GS and SL/SES) and individual employee performance plans align with the legacy Strategic Plan.
2020	Develop revised performance plans for remaining positions. Pilot all revised performance plans. Implement appropriate communications strategies and educational tools to successfully achieve the transition.
2021	Evaluate pilot and revise performance plans as appropriate. Managers add whistleblower protection information to performance plans. Completed the development of revised performance plans for all remaining positions.
2022	FLRA will discontinue this measure following the alignment of performance plans and systems with the legacy Strategic Plan.

Legacy Measure 3b-3: Internal and external customer perceptions of the eFiling System.	
Results	
2019	Received feedback from external users via the provided engagement email address. Implemented suggestions and replied to customer feedback. Developed and distributed notices to customers promoting the use of eFiling.
2020	Received feedback from external users via the provided engagement email address. Implemented suggestions and replied to customer feedback. Streamlined the eFiling system & created eFiling training module.
2021	Implemented significant fixes and enhancements in response to customer feedback. Integrated new eFiling user registration approval mechanism in CMS.
Targets	
2019	Develop a communications strategy for sharing with internal and external customers the benefits and advantages of eFiling (e.g., notice to go out with all Authority decisions). Develop and administer internal and external survey tools to assess customer perceptions of the eFiling System. Develop online, pop-up eFiling surveys that appear while users are logged into the eFiling System.
2020	Maintain or improve positive responses to internal and external survey instruments. Adopt suggested enhancements to the eFiling System, as appropriate.
2021	Maintain or improve positive responses to internal and external survey instruments. Adopt suggested enhancements to the eFiling System, as appropriate.
2022	FLRA will discontinue this measure; will measure through the engagement email address.

PRINCIPAL FINANCIAL STATEMENTS

MESSAGE FROM THE CHIEF EXECUTIVE OFFICER

The FLRA's FY 2022 Performance and Accountability Report reflects the correlation between the programmatic and financial aspects of the agency's work. The report bridges these two areas by presenting performance results with the financial results of agency operations. The financial statements and notes that follow explain the FLRA's financial position as of September 30, 2022, and how the Agency's financial resources were expended to achieve results.

For the seventeenth consecutive year, the FLRA has received an unqualified audit opinion on its financial statements. Along with the unqualified opinion, the report of independent auditors found no material weaknesses in the design and operation of the Agency system of internal controls over financial reporting. I am confident that the FLRA's financial and performance data are complete, accurate, and reliable.

With FY 2023 expected to be another challenging year, we will continue to focus on resolving cases fairly and efficiently, securing resources appropriate to meet our mission, meeting electronic records deadlines, closing open recommendations, and improving our levels of employee satisfaction and morale.

Ernie DuBester

Ernest DuBester
Chairman and Chief Executive Officer
Federal Labor Relations Authority

BALANCE SHEET

Federal Labor Relations Authority BALANCE SHEET (in dollars)		
As of September 30, 2022 and 2021		
	2022	**2021**
Assets:		
Intragovernmental:		
Fund Balance With Treasury (Note 2)	$ 5,264,634	$ 5,317,802
Accounts Receivable, Net (Note 3)	34,669	34,669
Advances and Prepayments	39,926	39,423
Total Intragovernmental	$ 5,339,229	$ 5,391,894
Accounts Receivable, Net (Note 3)	$ 15,723	$ 13,953
General Property, Plant, and Equipment, Net (Note 4)	192,666	281,532
Total Assets	**$5,547,618**	**$5,687,379**
Liabilities:		
Intragovernmental		
Accounts Payable (Note 5)	$ 120,798	$ 276,086
Other Liabilities (Note 5) (Note 6)	492,852	478,888
Total Intragovernmental	$ 613,650	$ 754,974
Accounts Payable (Note 5)	$ 268,757	$ 228,579
Federal Employee [and Veteran] Benefits Payable (Note 5)	2,965,103	3,042,839
Advances from Others and Deferred Revenue	34	
Other Liabilities (Note 5) (Note 6)	984,502.00	817,578
Total Liabilities	**$ 4,832,046**	**$ 4,843,970**
Net Position:		
Unexpended Appropriations - Funds from Other than Dedicated Collections	$ 3,588,127	$ 3,730,713
Cumulative Results of Operations - Funds from Other than Dedicated Collections	(2,872,555)	(2,887,304)
Total Net Position	**$ 715,572**	**$ 843,409**
Total Liabilities and Net Position	**$ 5,547,618**	**$ 5,687,379**

Accompanying notes are integral to these statements and may reflect rounding differences.

STATEMENT OF NET COST

Federal Labor Relations Authority STATEMENT OF NET COST (in dollars)		
For the Years Ended September 30, 2022 and 2021		
	2022	**2021**
Gross Program Costs:		
Authority:		
Intragovernmental Costs	$ 5,995,252	$ 6,800,634
Public Costs	11,371,916	11,677,670
Total Program Costs	$ 17,367,168	$ 18,478,304
Less: Earned Revenue	(716)	(5,272)
Net Program Costs	**$ 17,366,452**	**$ 18,473,032**
Federal Services Impasse Panel:		
Intragovernmental Costs	$ 221,661	$ 202,090
Public Costs	849,594	648,108
Total Program Costs	$ 1,071,255	$ 850,198
Less: Earned Revenue	-	$ -
Net Program Costs	**$ 1,071,255**	**$ 850,198**
Office of General Counsel:		
Intragovernmental Costs	$ 2,565,853	$ 2,421,396
Public Costs	7,213,531	7,281,385
Total Program Costs	$ 9,779,384	$ 9,702,781
Less: Earned Revenue	0	(14,583)
Net Program Costs	**$ 9,779,384**	**$ 9,688,198**
Total Gross Program Costs	$ 28,217,807	$ 29,031,283
Less: Total Earned Revenue	(716)	(19,855)
Net Cost of Operations	**$ 28,217,091**	**$ 29,011,428**

Accompanying notes are integral to these statements and may reflect rounding differences.

STATEMENT OF CHANGES IN NET POSITION

Federal Labor Relations Authority STATEMENT OF CHANGES IN NET POSITION (in dollars) For the Years Ended September 30, 2022 and 2021	2022	2021
Unexpended Appropriations:		
Beginning Balances	$ 3,730,713	$ 5,394,350
Budgetary Financing Sources:		
Appropriations Received	$ 27,398,000	$ 26,600,000
Other Adjustments	(363,433)	(626,746)
Appropriations Used	(27,177,153)	(27,636,890)
Net Change in Unexpended Appropriations	$ (142,586)	$ (1,663,636)
Total Unexpended Appropriations - Ending	**$ 3,588,127**	**$ 3,730,713**
Cumulative Results of Operations:		
Beginning Balances	$ (2,887,304)	$ (2,514,068)
Budgetary Financing Sources:		
Appropriations Used	$ 27,177,153	$ 27,636,890
Imputed Financing	1,054,687	1,001,302
Net Cost of Operations	(28,217,091)	(29,011,428)
Net Change in Cumulative Results of Operations	$ 14,749	$ (373,236)
Cumulative Results of Operations - Ending	$ (2,872,555)	$ (2,887,304)
Net Position	**$ 715,572**	**$ 843,409**

Accompanying notes are integral to these statements and may reflect rounding differences.

STATEMENT OF BUDGETARY RESOURCES

Federal Labor Relations Authority STATEMENT OF BUDGETARY RESOURCES (in dollars)		
For the Years Ended September 30, 2022 and 2021		
	2022	**2021**
Budgetary Resources:		
Unobligated balance from prior year budget authority, net	$ 806,973	$ 1,360,072
Appropriations	27,398,000	26,600,000
Spending authority from offsetting collections	750	19,855
Total Budgetary Resources	**$ 28,205,723**	**$ 27,979,927**
Status of Budgetary Resources:		
New obligations and upward adjustments (total) (Note 10)	$ 27,888,159	$ 27,621,040
Unobligated balance, end of year:		
Apportioned, unexpired account	72,407	63,421
Expired unobligated balance, end of year	245,157	295,466
Unobligated balance, end of year (total)	317,564	358,887
Total Budgetary Resources	**$ 28,205,723**	**$ 27,979,927**
Outlays, Net and Disbursements, Net:		
Outlays, net (total)	$ 27,087,736	$ 27,233,414
Agency outlays, net	**$ 27,087,736**	**$ 27,233,414**

Accompanying notes are integral to these statements and may reflect rounding differences.

NOTES TO THE FINANCIAL STATEMENTS

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

A. Reporting Entity

The FLRA is an independent, administrative Federal agency created by Title VII of the Civil Service Reform Act of 1978, with a mission to carry out five statutory responsibilities: (1) determining the appropriateness of units for labor organization representation; (2) resolving complaints of unfair labor practices; (3) adjudicating exceptions to arbitrators' awards; (4) adjudicating legal issues relating to duty to bargain; and (5) resolving impasses during negotiations. The agency consists of three components: the Authority, the Office of the General Counsel, and the Federal Service Impasses Panel.

B. Basis of Accounting and Presentation

The financial statements have been prepared to report the financial position, net cost of operations, changes in net position, and budgetary resources of the FLRA in accordance with the Chief Financial Officers Act of 1990, the Government Management Reform Act of 1994, and the Accountability of Tax Dollars Act of 2002. The statements have been prepared from agency financial records in accordance with U.S. Generally Accepted Accounting Principles (GAAP), in accordance with guidance issued by the Federal Accounting Standards Advisory Board (FASAB) and the Office of Management and Budget (OMB), as prescribed in OMB Circular A-136, Financial Reporting Requirements, and pursuant to the requirements of 31 U.S.C. § 3515(b). These financial statements include all funds and accounts under the control of the FLRA.

The accounting structure of Federal agencies is designed to reflect both accrual and budgetary accounting transactions. Under the accrual method of accounting, revenues are recognized when earned, and expenses are recognized when incurred, without regard to the receipt or payment of cash. The budgetary accounting principles, on the other hand, are designed to recognize the obligation of funds according to legal requirements, which in many cases occur before an accrual-based transaction takes place. The recognition of budgetary accounting transactions is essential for the control and monitoring of federal funds as well as the compliance with legal constraints and controls over the use of those funds. The accompanying financial statements are prepared on the accrual basis of accounting.

Accounting standards require all reporting entities to disclose that accounting standards allow certain presentations and disclosures to be modified, if needed, to prevent the disclosure of classified information.

C. Budget Authority

The Congress passes appropriations annually that provide the FLRA with authority to obligate funds for necessary salaries and expenses to carry out mandated program activities. These funds are available until expended, subject to OMB apportionment and to Congressional restrictions on the expenditure of funds. Also, the FLRA places internal restrictions on fund expenditures to ensure the efficient and proper use of all funds.

D. Fund Balance with Treasury

FLRA receipts and disbursements are processed by the Department of the Treasury. Fund balances with the Treasury consist of appropriated funds that are available to pay current liabilities and to finance authorized purchase commitments. No cash is held in commercial bank accounts.

E. Accounts Receivable

Accounts receivable consists of amounts owed to FLRA by other federal agencies and the public. Amounts due from federal agencies are considered fully collectible and consist of interagency agreements. An allowance for uncollectible accounts receivable from the public is established when either (1) management determines that collection is unlikely to occur after a review of outstanding accounts and the failure of all collection efforts, or (2) an account for which no allowance has been established is submitted to the Department of the Treasury for collection, which takes place when it becomes 120 days delinquent. Based on historical experience, all receivables are considered collectible and no allowance is provided.

F. General Property and Equipment (P&E)

This category consists of equipment and internal use software. The basis for recording purchased P&E is full cost, including all costs incurred to bring FLRA P&E to and from a location suitable for its intended use. P&E is depreciated using the straight-line method over the estimated useful life of the asset. Statement of Federal Financial Accounting Standards (SFFAS) No. 10, Accounting for Internal Use Software, provides accounting standards for internal use software used by each agency. The standards provide for capitalized property to continue to be reported on the Balance Sheet. P&E that are not capitalized because they are under the capitalization threshold are expensed in the year of acquisition.

The FLRA's capitalization threshold for individual purchases is $25,000. Bulk purchases of similar items that individually are worth less than $25,000, but collectively are worth more than $100,000 are also capitalized using the same general P&E categories and useful lives as capital acquisitions. Major building alterations and renovations are capitalized, while maintenance and repair costs are charged to expense as incurred.

General P&E Category	Service Life
Software	3 Years
Computer Equipment	5 Years
Office Equipment	7 Years
Office Furniture	15 Years
Leasehold Improvements	Life of lease

G. Liabilities

Liabilities represent the amount of monies or other resources likely to be paid by the FLRA as a result of transactions or events that have already occurred. Liabilities are recognized when they are incurred, regardless of whether they are covered by available budgetary resources. FLRA reports its liabilities under two categories, Intragovernmental and Other than Intragovernmental. Intragovernmental liabilities represent funds owed to another government agency. Liabilities other than intragovernmental represent funds owed to any entity or person that is not a federal agency, including private sector firms and federal employees. Each of these categories may include liabilities that are covered by budgetary resources and liabilities not covered by budgetary resources. No liability can be paid, however, absent an appropriation. Liabilities for which an appropriation has not been enacted are, therefore, classified as not covered by budgetary resources, since there is no certainty that the appropriation will be enacted. Liabilities that are covered by budgetary resources consist of intragovernmental and public accounts payable and accrued funded payroll. Liabilities not covered by budgetary resources in FY 2021 and FY 2022 consist of accrued and actuarial Federal Employees Compensation Act (FECA) compensation and unfunded employee leave. The Federal government, acting in its sovereign capacity, can abrogate liabilities other than contracts.

H. FECA Liabilities

An accrued FECA liability is recorded for actual and estimated future payments to be made for workers' compensation pursuant to the FECA. The actual costs incurred are reflected as a liability because agencies will reimburse the Department of Labor (DOL) two years after the actual payment of expenses. Future revenues will be used for their reimbursement to the DOL. The liability consists of: (1) the unreimbursed cost paid by the DOL for compensation to recipients under the FECA; and (2) the net present value of estimated future payments calculated by the DOL.

An estimated actuarial liability for future workers' compensation benefits is included. The liability estimate is based on the DOL's FECA actuarial model that takes the amount of benefit payments over the last twelve quarters and calculates the annual average of payments for medical expenses and compensation. This average is then multiplied by the liabilities-to-benefits paid ratios for the whole FECA program. The ratios may vary from year to year as a result of economic assumptions and other factors, but the model calculates a liability approximately twelve times the annual payments.

I. Annual, Sick and Other Leave

Amounts associated with the payment of annual leave are accrued while leave is being earned by employees, and this accrual is reduced as leave is taken. Each year the balance in the accrued annual leave account is adjusted to reflect current pay rates. To the extent that current or prior-year appropriations are not available to finance annual leave, future financing sources will be used. Sick leave and other types of non-vested leave are expensed as taken.

Any liability for sick leave that is accrued but not taken by a Civil Service Retirement System (CSRS) or a Civil Service Retirement System Offset (CSRS offset)-covered employee is transferred to the Office of Personnel Management (OPM) upon the retirement of that individual. Federal Employees Retirement System (FERS)-covered employees were not entitled to use unused sick leave for additional service credit until October 28, 2009. For retirements effective between October 28, 2009 and December 31, 2013, 50 percent of unused sick leave can be used for additional service credit. For retirements effective after December 31, 2013, 100 percent of unused sick leave can be credited.

J. Net Position

The components of net position are unexpended appropriations and cumulative results of operations. Unexpended appropriations include undelivered orders and unobligated balances. Undelivered orders reflect the amount of goods and services ordered that have yet to be actively or constructively received. Unobligated balances are the amount of appropriations or other authority remaining after deducting the cumulative obligations from the amount available for obligation. The cumulative results of operations represent the net results of operations since inception, the cumulative amount of prior-period adjustments, the remaining book value of capitalized assets, and future funding requirements.

K. Retirement Plans

The FLRA's employees participate in the CSRS or the FERS. For CSRS employees, hired prior to January 1, 1984, the FLRA withholds seven percent of each employee's salary and contributes seven percent of the employee's basic salary to the CSRS Retirement and Disability Fund. These employees may also contribute, on a tax-deferred basis, to a defined contribution plan – the Thrift Savings Plan (TSP). The regular Internal Revenue Service limit in FY 2021 and FY 2022 was $19,500 and $20,500, respectively. The FLRA is not required to and does not contribute any matching amounts for CSRS employees.

The FERS was established by enactment of Public Law 99-335. Pursuant to this law, the FERS and Social Security automatically cover most employees hired after December 31, 1983. Employees hired before January 1, 1984 elected either to join the FERS and Social Security or to remain in the CSRS. For FERS employees, the FLRA withholds 6.2 percent in old age survivors and disability insurance up to a specified wage ceiling and 0.8 percent of an employee's gross earnings for retirement. In FY 2022, the FLRA matched the retirement withholdings with a contribution equal to 18.4 percent of the employee's taxable salary. Due to enactment of the FERS Revised Annuity Employee and Further Revised Annuity Employee programs, the agency matched with a contribution equal to 16.6 percent for employees hired during and after calendar year 2013.

All employees are eligible to contribute to the TSP. For employees under the FERS, a TSP account is automatically established. The FLRA is required to make a mandatory contribution of one percent of the base salary for each employee under the FERS. The agency is required to match the employee's contribution up to a maximum of five percent of his or her salary. Matching contributions are not made to the TSP accounts established by CSRS employees. The FLRA does not report on its financial statements information pertaining to the retirement plans covering its employees. Reporting amounts such as plan assets, accumulated plan benefits, and related unfunded liabilities, if any, are the responsibility of the OPM.

FERS employees and certain CSRS reinstatement employees are eligible to participate in the Social Security program after retirement. CSRS employees who are 65 or older are eligible for Social Security payments (even if they have not retired). In these instances, the FLRA remits the employer's share of the required contribution.

L. Imputed Financing from Costs Absorbed by Others

The FASAB's SFFAS No. 5, Accounting for Liabilities of the Federal Government, requires that employer agencies recognize the full cost of pension, health, and life insurance benefits during their employees' active years of service. The OPM, as administrator of the CSRS and FERS plans, the Federal Employees Health Benefits Program, and the Federal Employees Group Life Insurance Program, must provide the "cost factors" that adjust the agency contribution rate to the full cost for the applicable benefit programs. An imputed financing source and corresponding imputed personnel cost is reflected in the Statement of Changes in Net Position and the Statement of Net Cost.

M. Revenue and Other Financing Sources

The FLRA's revenues are derived from reimbursable work agreements, Freedom of Information Act collections, and a direct annual appropriation. The FLRA recognizes reimbursable work when earned, i.e., services have been provided. Each reimbursable work agreement specifies the dollar value of the agreement and is based on estimated resources needed to perform the specified services.

The agency receives an annual Salaries and Expenses appropriation from the Congress. Annual appropriations are used, within statutory limits, for salaries and administrative expenses and for operating and capital expenditures for essential P&E. Appropriations are recognized as non-exchange revenues at the time the related program expenses are incurred. Appropriations expended for capitalized P&E are recognized as expenses when an asset is consumed in operations. The FLRA's annual appropriation for FY 2021 and FY 2022 was $26,600,000 and $27,398,000, respectively.

N. Expired Accounts and Cancelled Authority

Unless otherwise specified by law, annual budget authority expires for incurring new obligations at the beginning of the subsequent fiscal year. The account into which the annual authority is placed is called an expired account. For five fiscal years, the expired account is available for expenditure to liquidate valid obligations incurred during the unexpired period. Adjustments are allowed to increase or decrease valid obligations incurred during the unexpired period that were not previously reported. At the end of the fifth expired year, the account is cancelled and any remaining money is returned to the Treasury.

O. Contingencies

A contingency is an existing condition, situation, or set of circumstances involving uncertainty as to possible gain or loss to the agency. The uncertainty will ultimately be resolved when one or more future events occur or fail to occur. With the exception of pending, threatened, or potential litigation, a contingent liability is recognized when a past transaction or event has occurred, a future outflow or other sacrifice of resources is more likely than not, and the related future outflow or sacrifice of resources is measurable. For pending, threatened, or potential litigation, a liability is recognized when a past transaction or event has occurred, a future outflow or other sacrifice of resources is likely, and the related future outflow or sacrifice of resources is measurable.

P. Use of Estimates

The preparation of financial statements in conformity with GAAP requires management to make estimates and assumptions that affect the reported amounts of assets, liabilities, revenues, and expenses. Actual results could differ from those estimates.

Q. Advances and Prepayments

Advance payments are generally prohibited by law. There are some exceptions, such as reimbursable work agreements, subscriptions, and payments to contractors and employees. Payments made in advance of the receipt of goods and services are recorded as advance payments and recognized as expenses when the related goods and services are received.

NOTE 2: FUND BALANCE WITH TREASURY

U.S. government cash is accounted for on an overall consolidated basis by the Treasury. The amounts shown on the Balance Sheet represent the FLRA's right to draw on the Treasury for valid expenditures. The fund balance as shown on the FLRA records is reconciled monthly with records from the Treasury. Fund Balance with Treasury account balances as of September 30, 2022 and 2021 were as follows (In Dollars):

		2022		2021
Status of Fund Balance With Treasury:				
Unobligated Balance				
Available	$	72,407	$	63,421
Unavailable		245,158		295,465
Obligated Balance Not Yet Disbursed		4,947,069		4,958,916
Total	**$**	**5,264,634**	**$**	**5,317,802**

No discrepancies exist between the Fund Balance reflected on the Balance Sheet and the balances in the Treasury accounts.

The available unobligated fund balances represent the current-period amount available for obligation or commitment. At the start of the next fiscal year, this amount will become part of the unavailable balance as described in the following paragraph.

The unavailable unobligated fund balances represent the amount of appropriations for which the period of availability for obligation has expired. These balances are available for upward adjustments of obligations incurred only during the period for which the appropriation was available for obligation or for paying claims attributable to the appropriations.

The obligated balance not yet disbursed includes accounts payable, accrued expenses, unfilled orders, and undelivered orders that have reduced unexpended appropriations but have not yet decreased the fund balance on hand.

NOTE 3: ACCOUNTS RECEIVABLE, NET

The reported amount for accounts receivable consists of amounts owed to the FLRA by other Federal agencies (intragovernmental) and the public. There are no amounts that are deemed uncollectible as of September 30, 2022 and 2021. Accounts Receivable balances as of September 30, 2022 and 2021 were as follows (In Dollars):

		2022		2021
Intragovernmental				
Accounts Receivable	$	34,669	$	34,669
Total Intragovernmental Accounts Receivable	$	34,669	$	34,669
Other than Intragovernmental				
Accounts Receivable	$	15,723	$	13,953
Total Other than Intragovernmental Accounts Receivable	$	15,723	$	13,953
Total Accounts Receivable	**$**	**50,392**	**$**	**48,622**

NOTE 4: GENERAL PROPERTY, PLANT AND EQUIPMENT, NET

Schedule of General Property, Plant and Equipment, Net as of September 30, 2022 (In Dollars):

Major Class		Acquisition Cost		Accumulated Depreciation and Amortization		Net Book Value
Computer Equipment		444,331		(251,665)		192,666
Office Furniture		9,077		(9,077)		-
Total	**$**	**453,408**	**$**	**(260,742)**	**$**	**192,666**

Schedule of General Property, Plant and Equipment, Net as of September 30, 2021 (In Dollars):

Major Class		Acquisition Cost		Accumulated Depreciation and Amortization		Net Book Value
Computer Equipment		444,331		(162,799)		281,532
Office Furniture		9,077		(9,077)		-
Total	**$**	**453,408**	**$**	**(171,876)**	**$**	**281,532**

NOTE 5: LIABILITIES COVERED AND NOT COVERED BY BUDGETARY RESOURCES

Unfunded FECA liabilities consist of workers' compensation claims payable to the DOL, which will be funded in a future year, and an unfunded estimated liability for future workers' compensation claims based on data provided from the DOL. The actuarial calculation is based on benefit payments made over twelve quarters and calculates the annual average of payments. For medical expenses and compensation, this average is then multiplied by the liability-to-benefit paid ratio for the whole FECA program.

Unfunded leave represents a liability for earned leave and is reduced when leave is taken. At the end of each month the balance in the unfunded leave account is adjusted to reflect the liability at current pay rates and leave balances. Unfunded leave is paid from future funding sources and, accordingly, is reflected as a liability not covered by budgetary resources. Sick and other leave is expensed as taken. All other liabilities are considered to be covered by budgetary resources.

Liabilities Not Covered by Budgetary Resources as of September 30, 2022 and 2021 consist of the following (In Dollars):

		2022		2021
Intragovernmental-FECA	$	210,265	$	203,578
Intragovernmental-Unemployment Insurance		-		8,105
Unfunded Leave		1,663,011		1,808,250
Actuarial FECA		1,242,303		1,197,525
Total Liabilities Not Covered by Budgetary Resources	$	3,115,579	$	3,217,458
Total Liabilities Covered by Bugetary Resources		1,716,467		1,626,512
Total Liabilities	**$**	**4,832,046**	**$**	**4,843,970**

NOTE 6: OTHER LIABILITIES

Other liabilities as of September 30, 2022 consisted of the following (In Dollars):

		Current	Non-Current		Total
Intragovernmental:					
Employer Contributions and Payroll Taxes Payable (without reciprocals)	$	66,782		$	66,782
Employer Contributions and Payroll Taxes Payable		215,805			215,805
Unfunded FECA Liability		210,265			210,265
Total Intragovernmental Other Liabilities	**$**	**492,852**		**$**	**492,852**
Other than Intragovernmental:					
Accrued Funded Payroll and Leave	$	984,502		$	984,502
Total Other than Intragovernmental Other Liabilities	**$**	**984,502**		**$**	**984,502**
Total Other Liabilities	**$**	**1,477,354**		**$**	**1,477,354**

Other liabilities as of September 30, 2021 consisted of the following (In Dollars):

		Current	Non-Current		Total
Intragovernmental:					
Employer Contributions and Payroll Taxes Payable (without reciprocals)	$	59,109		$	59,109
Employer Contributions and Payroll Taxes Payable		208,096			208,096
Unfunded FECA Liability		203,578			203,578
Other Unfunded Employment Related Liability		8,105			8,105
Total Intragovernmental Other Liabilities	**$**	**478,888**		**$**	**478,888**
Other than Intragovernmental:					
Accrued Funded Payroll and Leave	$	817,578		$	817,578
Total Other than Intragovernmental Other Liabilities	**$**	**817,578**		**$**	**817,578**
Total Other Liabilities	**$**	**1,296,466**		**$**	**1,296,466**

NOTE 7: LEASES

The FLRA has operating leases for rental of office space and equipment. As a Federal agency, the FLRA is not liable for any lease terms beyond one year. All leases are federal.

<u>Current Operating Leases</u>

233 Peachtree Street NE, Atlanta, GA

The FLRA has an interagency agreement with the General Services Administration for office space at 233 Peachtree Street NE, Atlanta, GA. The term is for 120 months beginning on or about January 18, 2012. FLRA has the right to terminate the lease based on the availability of funds or with a four month notice at any point after the first twelve months of occupancy. This lease expired on January 17, 2022.

229 Peachtree Street NE, Atlanta, GA

The FLRA has an interagency agreement with the General Services Administration for office space at 229 Peachtree Street NE, Atlanta, GA. The term is for 180 months beginning January 18, 2022. This was a forced move at the Lessor's expense. FLRA has the right to terminate the lease based on the availability of funds or with a four month notice at any point after the first twelve months of occupancy. This lease expires January 17, 2037.

224 S. Michigan Avenue, Suite 445, Chicago, IL

The FLRA has an interagency agreement with the General Services Administration for office space at 224 S. Michigan Avenue, Suite 445, Chicago, IL. The term is for 120 months beginning on December 12, 2012 and expires on December 11, 2022. On August 21, 2021 the lease was renewed for 60 months beginning December 12, 2022. FLRA has the right to terminate the lease based on the availability of funds or with a four month notice at any point after the first twelve months of occupancy.

1244 Speer Boulevard, Denver, CO

The FLRA has an interagency agreement with the General Services Administration for office space at 1244 Speer Boulevard, Denver, CO. The previous term of 57 months began on July 1, 2013 and expired on March 24, 2018. The term for the current agreement is for 60 months beginning on or about September 14, 2021. FLRA has the right to terminate the lease based on the availability of funds or with a four month notice at any point after the first twelve months of occupancy.

1400 K Street NW, Washington, DC

The FLRA has an interagency agreement with the General Services Administration for office space at 1400 K Street NW, Washington, DC. The term is for 87 months beginning on or about June 1, 2014. The term for the current agreement is for 120 months beginning on or about March 25, 2018. On May 20, 2020, the lease agreement was modified to 60 months beginning September 14, 2020. FLRA has the right to terminate the lease based on the availability of funds or with a four month notice at any point after the first twelve months of occupancy.

1301 Clay Street, Oakland, CA

The FLRA has an interagency agreement with the General Services Administration for office space at 1301 Clay Street, Oakland, CA. The term is for 120 months beginning on or about August 1, 2021. FLRA has the right to terminate the lease based on the availability of funds or with a four month notice at any point after the first twelve months of occupancy.

NOTE 8: COMMITMENTS AND CONTINGENCIES

The FLRA is, at times, a party in various administrative proceedings, legal actions, and claims brought by or against the agency. In the opinion of FLRA management, the ultimate resolution of any proceedings, actions, and claims will not materially affect financial position or results of operations of the FLRA. The agency examined its FY 2017 obligations prior to cancellation and believes that it does not have any outstanding commitments or contingencies that will require future resources to liquidate.

NOTE 9: INTRAGOVERNMENTAL COSTS AND EXCHANGE REVENUE

The classification of revenue or cost as "intragovernmental" or "other than intragovernmental" is determined on a transaction by transaction basis. Preceding transactions in the lifecycle of a product will not have an impact on subsequent transactions. If the FLRA purchases goods or services from another Federal entity, capitalizes them into inventory, and later resells them to the public, the cost of the original purchase of resale assets from the other Federal entity will be classified as "intragovernmental" at the time of the purchase. At ultimate sale to the end user, the resulting cost of goods will be classified as "other than intragovernmental." The purpose of this classification is to enable the Federal government to provide consolidated financial statements, and not to match public and intragovernmental revenue with costs that are incurred to produce public and intragovernmental revenue.

NOTE 10: APPORTIONMENT CATEGORIES OF OBLIGATIONS INCURRED

All obligations incurred are characterized as Category A, quarterly apportioned, on the Statement of Budgetary Resources. Obligations incurred and reported in the Statement of Budgetary Resources in fiscal years 2022 and 2021 consisted of the following:

		2022		2021
Direct Obligations, Category A	$	27,887,409	$	27,601,185
Reimbursable Obligations, Category A	$	-	$	19,855
Reimbursable Obligations, Category B		750		-
Total New Obligations and Upward Adjustments	**$**	**27,888,159**	**$**	**27,621,040**

NOTE 11: UNDELIVERED ORDERS AT THE END OF THE PERIOD

The amount of budgetary resources obligated for undelivered orders at the end of September 30, 2022 consisted of the following (In Dollars):

	Federal	Non-Federal	Total
Paid Undelivered Orders	$ 39,927		$ 39,927
Unpaid Undelivered Orders	1,767,390	1,463,247	3,230,637
Total Undelivered Orders	**$ 1,807,317**	**$ 1,463,247**	**$ 3,270,564**

The amount of budgetary resources obligated for undelivered orders at the end of September 30, 2021 consisted of the following (In Dollars):

	Federal	Non-Federal	Total
Paid Undelivered Orders	$ 39,423		$ 39,423
Unpaid Undelivered Orders	1,473,875	1,858,529	3,332,404
Total Undelivered Orders	**$ 1,513,298**	**$ 1,858,529**	**$ 3,371,827**

NOTE 12: EXPLANATION OF DIFFERENCES BETWEEN THE SBR AND THE BUDGET OF THE U.S. GOVERNMENT

SFFAS No. 7, Accounting for Revenue and Other Financing Sources and Concepts for Reconciling Budgetary and Financial Accounting, calls for explanation of material differences between amounts reported in the Statement of Budgetary Resources and the actual balances published in the Budget of the U.S. Government (the President's Budget). The FY 2023 President's Budget, with actual amounts for FY 2021, has been reconciled to the Statement of Budgetary Resources. The FY 2024 President's Budget, with actual amounts for FY 2022, will not be published until February 2023.

NOTE 13: INCIDENTAL CUSTODIAL COLLECTIONS

Custodial collections are reflected in Fund Balance with Treasury during the year. While these collections are considered custodial, they are neither primary to the mission of the agency nor material to the overall financial statements. There were no custodial collections for the year ended September 30, 2022 and September 30, 2021. Custodial collections are transferred to the Treasury General Fund on September 30 and are not reflected in the financial statements of the Agency.

NOTE 14: RECONCILIATION OF NET COST TO NET OUTLAYS

The reconciliation of net outlays, presented on a budgetary basis, and the net cost, presented on an accrual basis, provides an explanation of the relationship between budgetary and financial accounting information.

Reconciliation of Net Cost to Net Outlays as of September 30, 2022:

	Intragovernmental	With the Public	Total
Net Operating Cost	$ 8,782,766	$ 19,434,325	$ 28,217,091
Components of Net Operating Cost Not Part of the Budgetary Outlays			
Property, plant, and equipment depreciation expense		(88,866)	(88,866)
Increase/(Decrease) in Assets:			
Accounts receivable, net		1,770	1,770
Other assets	504		504
(Increase)/Decrease in Liabilities:			
Accounts payable	155,288	(40,178)	115,110
Federal employee and veteran benefits payable		77,735	77,735
Other liabilities	(13,964)	(166,957)	(180,921)
Financing Sources:			
Imputed cost	(1,054,687)	-	(1,054,687)
Total Components of Net Operating Cost Not Part of the Budgetary Outlays	$ (912,859)	$ (216,496)	$ (1,129,355)
Total Net Outlays (Calculated Total)	$ 7,869,907	$ 19,217,829	$ 27,087,736
Budgetary Agency Outlays, net (SBR 4210)			
Budgetary Agency Outlays, net			$ 27,087,736

Reconciliation of Net Cost to Net Outlays as of September 30, 2021:

	Intragovernmental	With the Public	Total
Net Operating Cost	$ 9,404,266	$ 19,607,162	$ 29,011,428
Components of Net Operating Cost Not Part of the Budgetary Outlays			
Property, plant, and equipment depreciation expense		(86,126)	(86,126)
Increase/(Decrease) in Assets:			
Accounts receivable, net	-	220	220
Other assets	2,467		2,467
(Increase)/Decrease in Liabilities:			
Accounts payable	(239,284)	(3,774)	(243,058)
Federal employee and veteran benefits payable	-	(408,519)	(408,519)
Other liabilities	(64,497)	(104,972)	(169,469)
Financing Sources:			
Imputed cost	(1,001,302)		(1,001,302)
Total Components of Net Operating Cost Not Part of the Budgetary Outlays	$ (1,302,616)	$ (603,171)	$ (1,905,787)
Components of the Budget Outlays That Are Not Part of Net Operating Cost			
Acquisition of capital assets		127,773	127,773
Total Components of the Budget Outlays That Are Not Part of Net Operating Cost		$ 127,773	$ 127,773
Total Net Outlays (Calculated Total)	$ 8,101,650	$ 19,131,764	$ 27,233,414
Budgetary Agency Outlays, net (SBR 4210)			
Budgetary Agency Outlays, net			$ 27,233,414

DEMBO·JONES
CERTIFIED PUBLIC ACCOUNTANTS & ADVISORS

Independent Auditor's Report

Ernest DuBester, Chairman
Federal Labor Relations Authority

In our audits of the Fiscal Years 2022 and 2021 financial statements Federal Labor Relations Authority (FLRA) we found:

- FLRA's financial statements as of and for the fiscal years ended September 30, 2022, and 2021, are presented fairly, in all material respects, in accordance with U.S. generally accepted accounting principles;
- no material weaknesses in internal control over financial reporting based on the limited procedures we performed;[1] and
- no reportable noncompliance for Fiscal Year 2022 with provisions of applicable laws, regulations, contracts, and grant agreements we tested.

The following sections discuss in more detail (1) our report on the financial statements, which includes required supplementary information (RSI)[2]; (2) our report on internal control over financial reporting; (3) our report on compliance with laws, regulations, contracts, and grant agreements; and (4) agency comments.

Report on the Financial Statements

Opinion

In accordance with U.S. generally accepted government auditing standards, Office of Management and Budget Bulletin (OMB) No. 22-01, *Audit Requirements for Federal Financial Statements*, and additional requirements of OMB, such as Circular No. A-136, *Financial Reporting Requirements,* we have audited FLRA's financial statements. FLRA's financial statements comprise the balance sheets as of September 30, 2022, and 2021; the related statements of net cost, changes in net position, and budgetary resources for the fiscal years then ended; and the related notes to the financial statements. In our opinion, FLRA's financial statements present fairly, in all material respects, FLRA's financial position as of September 30, 2022, and 2021, and its net cost of operations, changes in net position, and budgetary resources for the fiscal years then ended in accordance with U.S. generally accepted accounting principles.

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[1]A material weakness is a deficiency, or combination of deficiencies, in internal control over financial reporting, such that there is a reasonable possibility that a material misstatement of the entity's financial statements will not be prevented, or detected and corrected, on a timely basis. A deficiency in internal control exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, misstatements on a timely basis.

[2]The RSI consists of "Management's Discussion and Analysis", which is included with the financial statements.

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Basis for Opinion

We conducted our audits in accordance with U.S. generally accepted government auditing standards. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of FLRA and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Responsibilities of Management for the Financial Statements

FLRA management is responsible for (1) the preparation and fair presentation of these financial statements in accordance with U.S. generally accepted accounting principles; (2) preparing, measuring, and presenting the RSI in accordance with U.S. generally accepted accounting principles; (3) preparing and presenting other information included in FLRA's documents containing the audited financial statements and auditor's report, and ensuring the consistency of that information with the audited financial statements and the RSI; and (4) designing, implementing, and maintaining effective internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about FLRA's ability to continue as a going concern for a reasonable period of time.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit of the financial statements conducted in accordance with U.S. generally accepted government auditing standards will always detect a material misstatement or a material weakness when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements, including omissions, are considered to be material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

In performing an audit in accordance with U.S. generally accepted government auditing standards, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements in order to obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion.

- Obtain an understanding of internal control relevant to our audit of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of FLRA's internal control over financial reporting. Accordingly, no such opinion is expressed.

- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.

- Perform other procedures we consider necessary in the circumstances.

- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about FLRA's ability to continue as a going concern for a reasonable period of time.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit, significant audit findings, and certain internal control–related matters that we identified during the financial statement audit.

Required Supplementary Information

U.S. generally accepted accounting principles issued by the Federal Accounting Standards Advisory Board (FASAB) require that the RSI be presented to supplement the financial statements. Such information is the responsibility of management and, although not a part of the financial statements, is required by FASAB, which considers it to be an essential part of financial reporting for placing the financial statements in appropriate operational, economic, or historical context. We have applied certain limited procedures to the RSI in accordance with U.S. generally accepted government auditing standards, which consisted of inquiries of management about the methods of preparing the RSI and comparing the information for consistency with management's responses to the auditor's inquiries, the financial statements, and other knowledge we obtained during the audit of the financial statements, in order to report omissions or material departures from FASAB guidelines, if any, identified by these limited procedures. We did not audit and we do not express an opinion or provide any assurance on the RSI because the limited procedures we applied do not provide sufficient evidence to express an opinion or provide any assurance.

Other Information

FLRA's other information contains a wide range of information, some of which is not directly related to the financial statements. This information is presented for purposes of additional analysis and is not a required part of the financial statements or the RSI. Management is responsible for the other information included in FLRA's documents containing the audited financial statements and auditor's report. The other information comprises the financial summaries but does not include the financial statements and our auditor's report thereon. Our opinion on the financial statements does not cover the other information, and we do not express an opinion or any form of assurance thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and consider whether a material inconsistency exists between the other information and the financial statements, or the other information otherwise appears to be materially misstated. If, based on the work performed, we conclude that an uncorrected material misstatement of the other information exists, we are required to describe it in our report.

Report on Internal Control over Financial Reporting

In connection with our audits of FLRA's financial statements, we considered FLRA's internal control over financial reporting, consistent with our auditor's responsibilities discussed below.

Results of Our Consideration of Internal Control over Financial Reporting

Our consideration of internal control was for the limited purpose described below, and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies or to express an opinion on the effectiveness of FLRA's internal control over financial reporting. Given these limitations, during our audit, we did not identify any deficiencies in internal control over financial reporting that we consider to be material weaknesses. However, material weaknesses or significant deficiencies may exist that have not been identified.

Basis for Results of Our Consideration of Internal Control over Financial Reporting

We performed our procedures related to FLRA's internal control over financial reporting in accordance with U.S. generally accepted government auditing standards.

Responsibilities of Management for Internal Control over Financial Reporting

FLRA management is responsible for designing, implementing, and maintaining effective internal control over financial reporting relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

Auditor's Responsibilities for Internal Control over Financial Reporting

In planning and performing our audit of FLRA's financial statements as of and for the fiscal year ended September 30, 2022, in accordance with U.S. generally accepted government auditing standards, we considered FLRA's internal control relevant to the financial statement audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of FLRA's internal control over financial reporting. Accordingly, we do not express an opinion on FLRA's internal control over financial reporting. We are required to report all deficiencies that are considered to be significant deficiencies or material weaknesses. We did not consider all internal controls relevant to operating objectives, such as those controls relevant to preparing performance information and ensuring efficient operations.

Definition and Inherent Limitations of Internal Control over Financial Reporting

An entity's internal control over financial reporting is a process effected by those charged with governance, management, and other personnel, the objectives of which are to provide reasonable assurance that (1) transactions are properly recorded, processed, and summarized to permit the preparation of financial statements in accordance with U.S. generally accepted accounting principles, and assets are safeguarded against loss from unauthorized acquisition, use, or disposition, and (2) transactions are executed in accordance with provisions of applicable laws, including those governing the use of budget authority, regulations, contracts, and grant agreements, noncompliance with which could have a material effect on the financial statements.

Because of its inherent limitations, internal control over financial reporting may not prevent, or detect and correct, misstatements due to fraud or error.

Intended Purpose of Report on Internal Control over Financial Reporting

The purpose of this report is solely to describe the scope of our consideration of FLRA's internal control over financial reporting and the results of our procedures, and not to provide an opinion on the effectiveness of FLRA's internal control over financial reporting. This report is an integral part of an audit performed in accordance with U.S. generally accepted government auditing standards in considering internal control over financial reporting. Accordingly, this report on internal control over financial reporting is not suitable for any other purpose.

Report on Compliance with Laws, Regulations, Contracts, and Grant Agreements

In connection with our audits of FLRA's financial statements, we tested compliance with selected provisions of applicable laws, regulations, contracts, and grant agreements consistent with our auditor's responsibilities discussed below.

Results of Our Tests for Compliance with Laws, Regulations, Contracts, and Grant Agreements

Our tests for compliance with selected provisions of applicable laws, regulations, contracts, and grant agreements disclosed no instances of noncompliance for Fiscal Year 2022 that would be reportable under U.S. generally accepted government auditing standards. However, the objective of our tests was not to provide an opinion on compliance with laws, regulations, contracts, and grant agreements applicable to FLRA. Accordingly, we do not express such an opinion.

Basis for Results of Our Tests for Compliance with Laws, Regulations, Contracts, and Grant Agreements

We performed our tests of compliance in accordance with U.S. generally accepted government auditing standards. Our responsibilities under those standards are further described in the Auditor's Responsibilities for Tests of Compliance section below.

Responsibilities of Management for Compliance with Laws, Regulations, Contracts, and Grant Agreements

FLRA management is responsible for complying with laws, regulations, contracts, and grant agreements applicable to FLRA.

Auditor's Responsibilities for Tests of Compliance with Laws, Regulations, Contracts, and Grant Agreements

Our responsibility is to test compliance with selected provisions of applicable laws, regulations, contracts, and grant agreements applicable to FLRA that have a direct effect on the determination of material amounts and disclosures in FLRA's financial statements, and to perform certain other limited procedures. Accordingly, we did not test compliance with all laws, regulations, contracts, and grant agreements applicable to FLRA. We caution that noncompliance may occur and not be detected by these tests.

Intended Purpose of Report on Compliance with Laws, Regulations, Contracts, and Grant Agreements

The purpose of this report is solely to describe the scope of our testing of compliance with selected provisions of applicable laws, regulations, contracts, and grant agreements, and the results of that testing, and not to provide an opinion on compliance. This report is an integral part of an audit performed in accordance with U.S. generally accepted government auditing standards in considering compliance. Accordingly, this report on compliance with laws, regulations, contracts, and grant agreements is not suitable for any other purpose.

Dembo Jones, P.C.

North Bethesda, Maryland
November 15, 2022

OTHER ACCOMPANYING INFORMATION

SUMMARY OF FINANCIAL STATEMENT AUDIT

Audit Opinion:	Unqualified				
Restatement:	No				
	Beginning Balance	**New**	**Resolved**	**Consolidated**	**Ending Balance**
Material weaknesses	0	0	0	0	0

SUMMARY OF MANAGEMENT ASSURANCES

Effectiveness of Internal Control over Financial Reporting (FMFIA § 2)						
Statement of Assurance:	Unqualified					
	Beginning Balance	**New**	**Resolved**	**Consolidated**	**Reassessed**	**Ending Balance**
Material weaknesses	0	0	0	0	0	0

Effectiveness of Internal Control over Operations (FMFIA § 2)						
Statement of Assurance:	Unqualified					
	Beginning Balance	**New**	**Resolved**	**Consolidated**	**Reassessed**	**Ending Balance**
Material weaknesses	0	0	0	0	0	0

Conformance with Financial Management System Requirements (FMFIA § 4)						
Statement of Assurance:	Systems conform					
	Beginning Balance	**New**	**Resolved**	**Consolidated**	**Reassessed**	**Ending Balance**
Non-conformances	0	0	0	0	0	0

IMPROPER PAYMENTS ELIMINATION AND RECOVERY

The Improper Payments Information Act of 2002, as amended by the Improper Payments Elimination and Recovery Act of 2010 (IPERA), requires agencies to annually report information on improper payments. The FLRA has reviewed all of its programs and determined that none are susceptible to significant improper payment. The IPERA also requires agencies to conduct payment-recapture audits for each program that expends $1 million or more annually, if conducting such audits would be cost-effective. Based on the criteria set forth in Appendix C of OMB Circular A-123, the agency has also determined that it would not be cost-effective to establish a recovery-audit program for its programs that expend more than $1 million. Recoveries are not expected to be greater than the costs incurred to identify any overpayments.

The Federal Labor Relations Authority did not have any significant improper payments to report for FY 2022. The FLRA's overall outlays were over $10M, however, our commercial payment outlays were well below $10M. Accordingly, FLRA is not deemed a high priority program. Equally, no FLRA programs are likely to be susceptible to improper payments. The FLRA's FY 22 Improper Payments Risk Assessment determined that the FLRA has a low risk of improper payments. Data could not be uploaded to the https://www.paymentaccuracy.gov/ website this fiscal year.

INSPECTOR GENERAL MEMORANDUM ON TOP MANAGEMENT CHALLENGES

INSPECTOR GENERAL

UNITED STATES OF AMERICA
FEDERAL LABOR RELATIONS AUTHORITY
WASHINGTON, D.C. 20424-0001

MEMORANDUM

DATE: October 5, 2022

TO: Ernest DuBester
Chairman

Colleen Duffy Kiko
Member

Susan Tsui Grundmann
Member

FROM: Dana Rooney D. Rooney
Inspector General

SUBJECT: Top Management and Performance Challenges for Fiscal Year 2023 (MC-23-01)

Each Inspector General (IG) is required by law, the *Reports Consolidation Act of 2000*[1], to provide the agency head with a statement that summarizes the "most serious management and performance challenges facing the agency" and to assess the agency's progress in addressing those challenges. The law states that the "agency head may comment on the IG's statement, but may not modify the statement." By statute this statement should be included in the Federal Labor Relations Authority's (FLRA) "Performance and Accountability Report" (PAR).

The FLRA IG's Statement is based on the Office of Inspector General's (OIG) experience and observations from our oversight work, as well as our general knowledge of the FLRA programs and operations. Our analysis considers the accomplishments the FLRA reported as of August 31, 2022.

Accordingly, the attached document describes the most serious management and performance challenges facing the FLRA along with a brief assessment and management's progress in addressing them. These ongoing challenges include: records management and closure of open recommendations outstanding for more than 1 year.

The above challenges were also noted in the agency's Fiscal Year (FY) 2021 PAR. We appreciate management's strong commitment in addressing these challenges and welcome comments to our assessment.

Attachment

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[1] The Reports Consolidation Act of 2000, § 3, Pub. Law 106-531 (amending U.S.C.§ 3516).

Records Management

Federal agencies are required by law (the Federal Records Act of 1950, as amended and codified in Title 44 of the United States Code) to adequately document their missions, functions, policies, procedures, decisions, and transactions. They are required to preserve historically valuable records, and it is a crime to destroy records without approval from the U.S. National Archives and Records Administration (NARA).

In 2011, Presidential Memorandum, *Managing Government Records,* required Federal agencies to manage both permanent and temporary email records in an electronic format by the end of 2016. By the end of 2019, agencies were directed by the Office of Management and Budget (OMB) and NARA in a jointly issued Memorandum M-12-18, *Managing Government Records Directive* to manage all permanent records in an electronic format.

NARA is set to stop accepting paper-based records at the end of 2022, and OMB issued M-19-21, *Transition to Electronic Records* to help agencies meet this deadline. This memorandum directs agencies to: "ensure that all Federal records are created, retained, and managed in electronic formats, with appropriate metadata, and develop plans to close agency-operated storage facilities for paper and other analog records, and transfer those records to NARA's Federal Records Centers or commercial storage facilities."

The memo also states, "Beginning January 1, 2023, all other legal transfers of permanent records must be in electronic format, to the fullest extent possible, regardless of whether the records were originally created in electronic formats. After that date, agencies will be required to digitize permanent records in analog formats before transfer to NARA."

FLRA has worked diligently toward compliance with the records management directive by continuing to implement an electronic records system as well as policies and procedures to properly handle FLRA files and records. Management continues to provide employees and contractors annual mandatory Records and Information Management training. These are excellent steps forward in FLRA's effort to comply with records management standards. In FY 2022, FLRA did not receive the funding necessary to comply with the 100 percent electronic files by December 2022, per M-19-21. If FLRA receives the requested funds in FY 2023, it is imperative that a complete oversight or governance process be established for the remaining FLRA offices to include developing and transitioning the new case management system (CMS) and fully electronic case files.

Progress in Addressing the Challenge

FLRA provided the following management challenge update:

"The FLRA continues to work towards bringing its Records and Information Management (RIM) Program into compliance. During FY 2022, the Agency continued actively complying with Presidential Memoranda: M-19-21. Specifically, during FY 2022, the Agency revised and submitted the FLRA Records Schedules to NARA for approval. The benefit of revising the records schedules was to provide mandatory instructions ("disposition instructions") to all FLRA staff regarding how to maintain the Agency's operational permanent and temporary records. The records schedule constitutes FLRA's official policy for documents and information retention and disposal of records. In alignment with the RIM program, we also added a RIM webpage and content to the FLRA intranet page. The RIM webpage and content will be reviewed annually and updated with new records management guidance and procedures.

Additionally, FLRA continued its annual computer-based Records and Information Management training for all FLRA employees and contractors that create, receive, access, or use federal records. Each year, we are required to complete and submit three reports: The Senior Agency Official for Records Management (SAORM) Annual Report, a new Federal Electronic Records and Email Management Maturity Model Report, and the annual Records Management Self-Assessment (RMSA). FLRA complied with completing its annual RMSA and submitted the findings to NARA. The self-assessments goal is to determine whether Federal agencies are compliant with statutory and regulatory records management requirements. Since 2019, the Agency has made tremendous strides in improving the Agency RIM Program, as a result the FLRA is still considered a low-risk agency in 2021.

Below are the 2019 and 2021 comparative scores we received from our agency's responses to NARA annual reports.

- SAORM Annual Report. (This report is not scored).
- RMSA for 2021 score: 100. (We scored perfect based on the questions asked this year. Scores will change based on the questions asked.)
- FLRA previous RMSA scores:
  - 2020- score: 94
  - 2019- score: 77
- Federal Electronic Records and Email Management Report for 2021 scores:
  - Part I Electronic Records Score: 66
  - Part I Electronic Records Maturity Model Score: 3.47
  - Part II Email Score: 18
  - Part II Email Maturity Model Score: 3.6

- Previous year scores for the Federal Electronic Records and Email Management Report:
  Federal Electronic Records and Email Management Report for 2020 scores:
  - Part I Electronic Records Score: 64
  - Part I Electronic Records Maturity Model Score: 3.37
  - Part II Email Score: 15
  - Part II Email Maturity Model Score: 3

  Federal Electronic Records and Email Management Report for 2019 scores:
  - Part I Electronic Records Score: 2.74
  - Part II Email Management Score: 2.2

With that said, there remains work to be done. The COVID-19 pandemic has heavily impacted FLRA's ability to meet the M-19-21 1.1 and 1.2 deadline requirements. The FLRA had limited access to their paper copy records in offices. The transition of permanent records to fully-electronic recordkeeping is an ongoing process where FLRA has demonstrated progress by implementing an annual review of the FLRA permanent records. The FLRA has successfully adapted its work environments for remote access due to the COVID-19 pandemic.
Finally, the Agency continues to develop and implement the information technology necessary to support 100% electronic case files, per M-19-21. Unfortunately, the Agency again did not receive its request for additional funding in the FY 2022 enacted budget. As a result, the transition to a new agency CMS linked to achieving 100% electronic case records has been delayed. However, the Agency continues to add funds where possible with any available end-of-year funds to keep the project moving. The Agency is again requesting funds through the FY 2023 budget request and remains hopeful to receive the needed funds to complete this project on time.

As described above, the Agency continues to take steps to address its identified management challenge. We look forward to continuing to work with you on addressing and resolving any outstanding matters, as well as any management challenges identified for FY2023 and beyond."

What Needs to Be Done

FLRA needs to continue its efforts in securing the necessary budget resources to successfully achieve compliance with OMB deadlines.

Key OIG Resources

- President Memorandum, *Managing Government Records,* signed on November 28, 2011
- OMB Directive M-12-18, Managing Government Records Directive, issued August 24, 2012
- OMB/NARA Memorandum M-14-16, which included NARA Bulletin 2014-06, Guidance on Managing Email issued September 14, 2014

- NARA Memorandum, Records Management Priorities for 2017, issued March 15, 2017
- OMB Memorandum M-19-21, *Transition to Electronic Records,* signed on June 28, 2019

Closure of Open Recommendations Outstanding for More Than 1 Year

The Inspector General Act of 1978, as amended, requires explanations for all audit reports with recommendations open for more than one year. These outstanding recommendations are also reported to the FLRA and Congress in the OIG's Semiannual Reports to Congress. Since the March 31, 2022 OIG Semiannual Report, the FLRA has closed a significant number of outstanding recommendations which was a culmination of a long-term effort that represents a significant accomplishment. However, at this time, FLRA has four open recommendations outstanding for more than 1 year.

In FY 2020, the OIG presented and agency management concurred with 23 recommendations. In FY's 2021 and 2022, agency management resolved 19 of the 23 recommendations. The four remaining recommendations are over 2 years old.

In March 2020, the OIG issued a Management Advisory Review of Credit Hours and Premium Pay (MAR-20-03) and made 17 recommendations. In March 2021, the OIG performed a Follow-up Review from the 2020 Credit Hours and Premium Pay (MAR-21-03) and closed 14 of the 17 open recommendations. The OIG made multiple attempts to schedule a follow-up review in FY 2022 and delayed the review at the request of management until calendar year 2023.

On September 8, 2020, the OIG issued a Management Advisory Review of FLRA's Appointment of Contracting Officer's Representative (MAR-20-07) and made six recommendations. In May 2022, the OIG performed a follow-up review and closed five of the six open recommendations.

The OIG plans to perform follow-up reviews on the four open recommendations in calendar year 2023.

The table below shows a summary of reports with corrective actions outstanding for more than 1 year and whether report recommendations are open or closed.

Reports with Corrective Actions Outstanding for more than 1 year

Report Title	Report Number	Issue Date	Number of Recommendations	Closed	Open
Management Advisory Review of Credit Hours and Premium Pay	MAR-20-03	3/11/20	17	14[1]	3

[1] OIG performed a Follow-up Review from the 2020 Credit Hours and Premium Pay Report MAR-21-03 dated March 15, 2021 closed 14 of the 17 open recommendations.

Management Advisory Review of FLRA's Appointment of Contracting Officer's Representative	MAR-20-07	9/8/20	6	5[2]	1

At this time, FLRA has four recommendations outstanding for more than 1 year. As the OIG continues to issue reports with recommendations, it is critical that the FLRA continue its progress in resolving open findings that are outstanding from prior audits, and design appropriate corrective action plans to implement procedures and address deficiencies, where appropriate. FLRA management should also continuously monitor these plans to ensure timely audit resolution.

Key OIG Resources

- OIG Report, Follow-up Management Advisory Review on FLRA's Appointment of Contracting Officer's Representatives, May 25, 2022
- OIG Report, Follow-up Review from the 2020 Review of Credit Hours and Premium Pay, March 15, 2021
- OIG Report, Management Advisory Review of FLRA's Appointment of Contracting Officer's Representative (MAR-20-07), September 8, 2020
- OIG Report, Management Advisory Review of Credit Hours and Premium Pay (MAR-20-03), March 11, 2020

[2] OIG performed a Follow-up Management Advisory Review on FLRA's Appointment of Contracting Officer's Representatives Report MAR-22-05 dated May 25, 2022 closed 5 of the 6 open recommendations.

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